



TOWN OF ARLINGTON

Fiscal Year 2014

**Town Manager's Annual Budget &
Financial Plan**



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Fiscal Year 2014 Town Manager's Annual Budget & Financial Plan



Adam W. Chapdelaine
Town Manager

Andrew P. Flanagan
Deputy Town Manager



**TOWN OF ARLINGTON
ANNUAL BUDGET & FINANCIAL PLAN FISCAL YEAR 2014
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SECTION I

BUDGET MESSAGE



A Resident's Guide to the Budget

Congratulations! If you are reading this it means you are interested in better understanding one of the most important documents produced by your community. The Annual Budget & Financial Plan document is much more than just a collection of numbers; it is a reflection of our community's values, priorities, and goals. The Budget document serves as a policy document, a financial guide, and a communications device to its residents. To this end, it is designed to be as user-friendly as possible. This Annual Budget & Financial Plan was created to help orient readers by providing a brief overview of the budget process, as well as an explanation of the organization of the budget document itself. We hope you find the introductory guide a useful tool as you better acquaint yourself with the latest financial and planning information for the Town of Arlington.

THE BUDGET PROCESS

The Town of Arlington is governed by the "Town Manager Act of the Town of Arlington, Massachusetts," by which a popularly elected, five-member Board of Selectmen appoint a professional manager to administer the daily operation of the Town. The Town's legislative body is a representative Town Meeting, which consists of 252 members elected from their home precincts. There are 21 precincts in Arlington. The Town Manager is the chief executive officer of the Town, managing the day-to-day business of Town departments.

In accordance with Section 32 of the Town Manager Act, the Town Manager must annually submit a budget to the Board of Selectmen. Arlington has had a long tradition of developing a budget that clearly defines departmental goals and objectives and includes detailed trend analysis and long-term projections. The annual operating and capital budgets are submitted as part of the Town Manager's Annual Budget & Financial Plan. It is important to note that the financial and budgetary information presented in the Annual Budget & Financial Plan are projections and are subject to change prior to Town Meeting. For definitions of terms used in the Annual Budget & Financial Plan, see the Glossary on page 207.

For past budgets and plans, plus additional financial documents please visit arlingtonma.gov/budgets.

BUDGET CALENDAR

July

Fiscal Year begins July 1st

September

Capital Budget requests due to Town Manager

November

Operating Budget requests due to Town Manager by November 30th

January

Budget books distributed to Board of Selectmen and Finance Committee by January 15th

January/April

Finance Committee hearings on budget

March

Financial Plan distributed to Board of Selectmen and Finance Committee by the end of March

April

Finance Committee recommended budget submitted to Town Meeting by April 20th

May

Town Meeting adopts *Operating and Capital Budgets*

June

Fiscal Year ends June 30th



Community Profile

Name: Town of Arlington

Settled: 1635 (as Village of Menotomy)

Incorporated: 1807 (as West Cambridge) Renamed Arlington in 1867

Total Area: 5.5 Sq. Miles

Land: 5.2 Sq. Miles

Water: 0.3 Sq. Miles

Elevation: 46 Feet

Public Roads: 95.27 Miles

County: Middlesex

Population: 42,844 (2010 Census)

Form of Government: Representative Town Meeting

School Structure: K-12

FY2013 Average Single Family Tax Rate: \$13.61 per \$1,000

FY2013 Ave. Single Family Home Value: \$502,753

Coordinates: 42°24'55"N 71°09'25"W

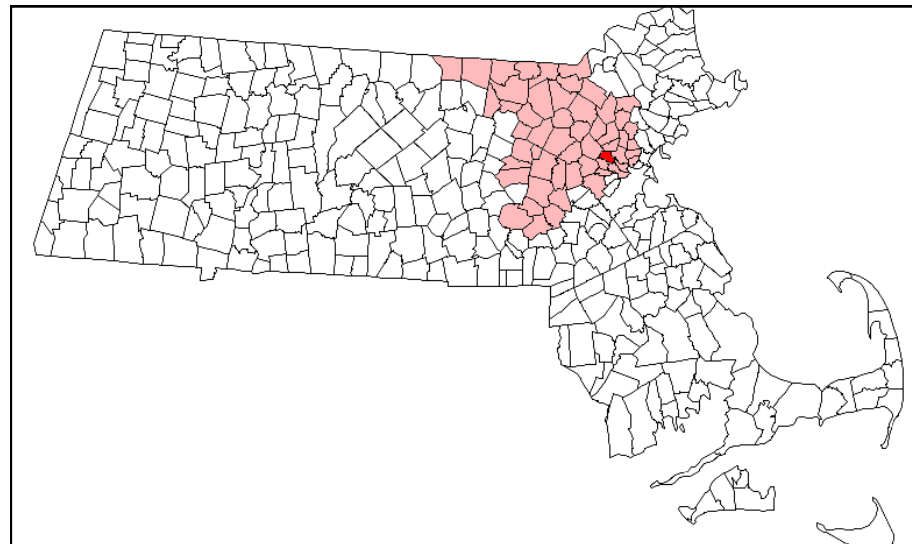
Address:

Arlington Town Hall
 730 Massachusetts Avenue
 Arlington, MA 02476
 Phone: (781) 316-3000
www.arlingtonma.gov

The Town of Arlington is located six miles northwest of Boston and is home to over 42,000 residents living in a compact urban community of 5.5 square miles. Because of its proximity to Boston, Arlington residents are able to enjoy its diverse neighborhoods, active civic life, and good public transportation options. Arlington is more affordable than many of its neighbors and thereby attracts residents who value its geographic location and quality-of-life.

The Town of Arlington was originally settled in 1635 as a village named Menotomy, meaning "swift running water." In 1807, the name was changed to West Cambridge and renamed Arlington in 1867 in honor of the Civil War heroes buried in Arlington National Cemetery.

Arlington, which offers a diverse mix of residential settings and popular retail and entertainment options, has steadily evolved from a working-class community to a more affluent suburban town. Residents have a lot invested in the Town and come to expect excellent municipal services for a reasonable tax bill. The community has a strong history of supporting specific initiatives to improve the quality of these services. This support is evidenced by recent tax override initiatives to upgrade all the school facilities, and to maintain quality services.





Fiscal Year 2014 Annual Budget & Financial Plan Budget Message

April 1, 2013

To: The Honorable Board of Selectmen and Finance Committee

I hereby transmit to you the recommended FY2014 Operating and Capital budgets and the FY2014-2018 Capital Plan. The budget as proposed totals \$132,036,277 which is an increase of \$6,287,049 (5.0%) from the current budget. However, if the amount contributed to the Override Stabilization Fund is excluded, the proposed budget is an increase of \$4,009,322 (3.2%) from the current budget. A summary showing a comparison of the FY2013 and FY2014 revenues and expenses is shown on page 5.

FY2013, the current fiscal year, is the second year of what was initially intended to be a three-year plan that incorporated the Proposition 2 ½ override of 2011 designed to carry the Town's budgets through FY2014. The key commitments along with updates on the status of meeting the commitments of that three-year plan are listed as follows with updates listed in bold:

- 1) *Override funds will be made to last at least three years (FY2012-FY2014). No general override will be sought during this period.* – **Current projections have extended the plan to cover FY2012-FY2018.**
- 2) *If the override passes there will be no PAYT fee implemented in FY2012, but the placement of a ballot question regarding a revenue neutral PAYT option will be considered in FY2013.* - **This ballot question was not advanced due to the Town's implementation of a mandatory recycling program in FY2013 which projects to reduce both hauling and waste disposal costs.**
- 3) *Town and School operating budget increases will be capped at 3.5% per year. An additional allowance of up to 7% shall be allowed for documented special education cost increases. Should actual special education cost increases exceed this amount, the remaining School budget shall be decreased by the difference.* – **This commitment has been maintained and this year's Town operating budget is being held below the 3.5% cap at 3.34%.**



- 4) *Health care cost increases will be programmed at 7%. Should actual increases exceed this amount, the Town and School budget totals shall be proportionately decreased by the excess amount. Should actual increases be less than this amount as a result of negotiated health care savings, the extra savings will be:*
 - a) *Deposited into the override stabilization fund to extend the three year override period;*
 - b) *Used to preserve services; and*
 - c) *To satisfy any and all negotiated items between the Town Manager, its employees, and its retirees. – The override period has been extended to six years from the original three-year period based to a large degree on health care savings. The first year health care savings also supported FY2012 wage settlements with employee bargaining units. Actual health care cost increases will be approximately 3.5% in FY14. The difference between the initial projections and the actual cost will be deposited into the override stabilization fund.*
- 5) *An additional \$600,000 shall be appropriated for the School Department in FY2012 and \$400,000 shall be appropriated each year in addition to the amount currently appropriated in the capital budget for road improvements. – This commitment has been met.*
- 6) *Reserves shall be maintained in an amount equivalent to at least 5% of the budget. – This commitment is being maintained.*

As you recall, in 2005 when the Town was facing a projected \$4 million deficit for FY2006, a five-year plan was put together which included an override and commitments to budget constraints similar to the aforementioned commitments. The 2005 override, which was projected to last five years, was stretched to last six years despite the economic crisis and cuts in state aid.

At the time that the most recent override was proposed, the Town was facing a projected deficit of \$6 million. Also at that time, the Legislature was discussing giving municipalities more authority to control their health care plans and costs. Optimistically, it was assumed that some changes would be made to allow the Town to save \$1 million. The proposed override was then set at \$6.49 million, an amount that enabled the Town to maintain service levels at approximately the current levels for three years.

Approximately a month after the override passed, the Legislature and the Governor approved a significant health care reform law for municipalities that provided authority to make health care plan design changes up to the level the State provides to its employees and also authorized municipalities to join the State's health care plan. As a result, Arlington joined the State's health care plan, the Group Insurance Commission (GIC), and has achieved significant savings which will thus enable the Town to stretch the three-year plan to a seven-year plan. We are mindful of the strong desire of residents to maintain quality services and the sacrifices that they have made by supporting the override. We are committed to pursue all appropriate productivity improvements and cost reduction measures in order to sustain these quality services.



Overall Budget Summary

			Change	
	FY2013	FY2014	\$	%
Revenue				
Property Tax	\$ 98,009,381	\$ 101,039,058	\$ 3,029,677	3.1%
Local Receipts	\$ 8,455,000	\$ 8,505,000	\$ 50,000	0.6%
State Aid	\$ 15,040,051	\$ 16,505,918	\$ 1,465,867	9.7%
School Construction Aid	\$ 2,474,796	\$ 2,474,773	\$ (23)	0.0%
Free Cash	\$ 1,570,000	\$ 3,411,528	\$ 1,841,528	117.3%
Other Funds	\$ 200,000	\$ 100,000	\$ (100,000)	-50.0%
TOTAL REVENUES	\$ 125,749,228	\$ 132,036,277	\$ 6,287,049	5.0%
Expenditures				
Municipal Departments	\$ 30,057,059	\$ 31,060,702	\$ 1,003,643	3.3%
School Department	\$ 45,612,598	\$ 47,675,113	\$ 2,062,515	4.5%
Minuteman School	\$ 3,022,146	\$ 3,336,935	\$ 314,789	10.4%
Non-Departmental (Healthcare & Pensions)	\$ 22,815,979	\$ 22,899,397	\$ 83,418	0.4%
Capital (Includes Debt Service)	\$ 9,343,820	\$ 9,831,310	\$ 487,490	5.2%
MWRA Debt Shift	\$ 5,593,112	\$ 5,593,112	\$ 0	0.0%
Warrant Articles	\$ 794,269	\$ 1,049,213	\$ 254,945	32.1%
Override Stabilization Fund Deposit	\$ 3,879,357	\$ 6,157,085	\$ 2,277,728	58.7%
TOTAL EXPENDITURES	\$ 121,118,340	\$ 127,602,868	\$ 6,484,528	5.4%
Non-Appropriated Expenses	\$ 4,630,888	\$ 4,433,409	\$ (197,479)	-4.3%
Surplus / (Deficit)	\$ 0	\$ 0	\$ 0	0.0%



Departmental Budgets

Departmental operating budgets have been held to a 3.34% increase in accordance with the commitments made as part of the tax override. With respect to personnel costs, all but one collective bargaining unit (Patrol) is settled for FY2014, so an allowance has been made for a potential settlement. There have been a number of changes in personnel; however these changes result in a net increase of only one position from FY2013 (see personnel chart on p. 6). Some of the more significant budget changes include:

Selectmen: -\$28,008

Included within the budget for the Board of Selectmen are expenses for the operation of elections within the Town. The proposed FY2014 budget is being reduced due to the need for one fewer election as compared to FY2013.

Town Manager: +\$31,863

The part-time Management Analyst position within the Town Manager's office and the part-time Property Management position formerly within the Planning and Community Development Department have been combined into one position which in FY2014 is budgeted within the Town Manager's Office.

Information Technology: +107,713

In FY2014, a Systems Analyst position is being proposed for the IT Department. Also, the Administrative Assistant who was formerly shared between the IT Department and the Comptroller's Office is being moved entirely to the IT Department's budget.

Planning & Community Development: -\$13,335

As addressed earlier, the part-time Property Management position budgeted last year within this department has been combined with the Management Analyst position in the Town Manager's Office and budgeted there for FY2014.

Public Works: +\$504,278

The increase in Public Works is primarily driven by the decrease in the amount of funds available from the Tip Fee Stabilization Fund to offset solid waste disposal costs (\$236,000). Further increases include investment in tree replanting (\$40,000) in response to the damage caused by the microburst and Hurricane Sandy, increases in Highway Division expenses (\$24,584), and projected increases in yard waste disposal cost (\$40,000). There is also a decrease in the water/sewer offset to the Highway Division (\$70,000) which impacts the appropriation.

**Community Safety: +\$365,503**

For the FY2014 budget proposal, Community Safety Administration and Community Safety Support have been eliminated as separate budgets and their costs have been allocated accordingly into both the Police and the Fire budgets. This will better align budget responsibility with day-to-day management responsibility. The remaining increase is reflective of wage settlements with public safety bargaining units and corresponding increases to salary related line items.

Inspections: -\$27,514

The FY2013 Inspections budget included a \$40,000 salary appropriation to cover increased costs associated with inspections at the Symmes site. This amount has been removed in FY2014.

Street Lights: - \$63,000

The Town's conversion from High Pressure Sodium street lights to LED street lights is expected to be completed prior to the start of FY2014 and the corresponding reduction in electricity usage and maintenance costs allows for a \$53,000 reduction in this budget. The remaining \$10,000 reduction is attributable to a cost reduction for fire alarm systems.

Libraries: + \$26,110

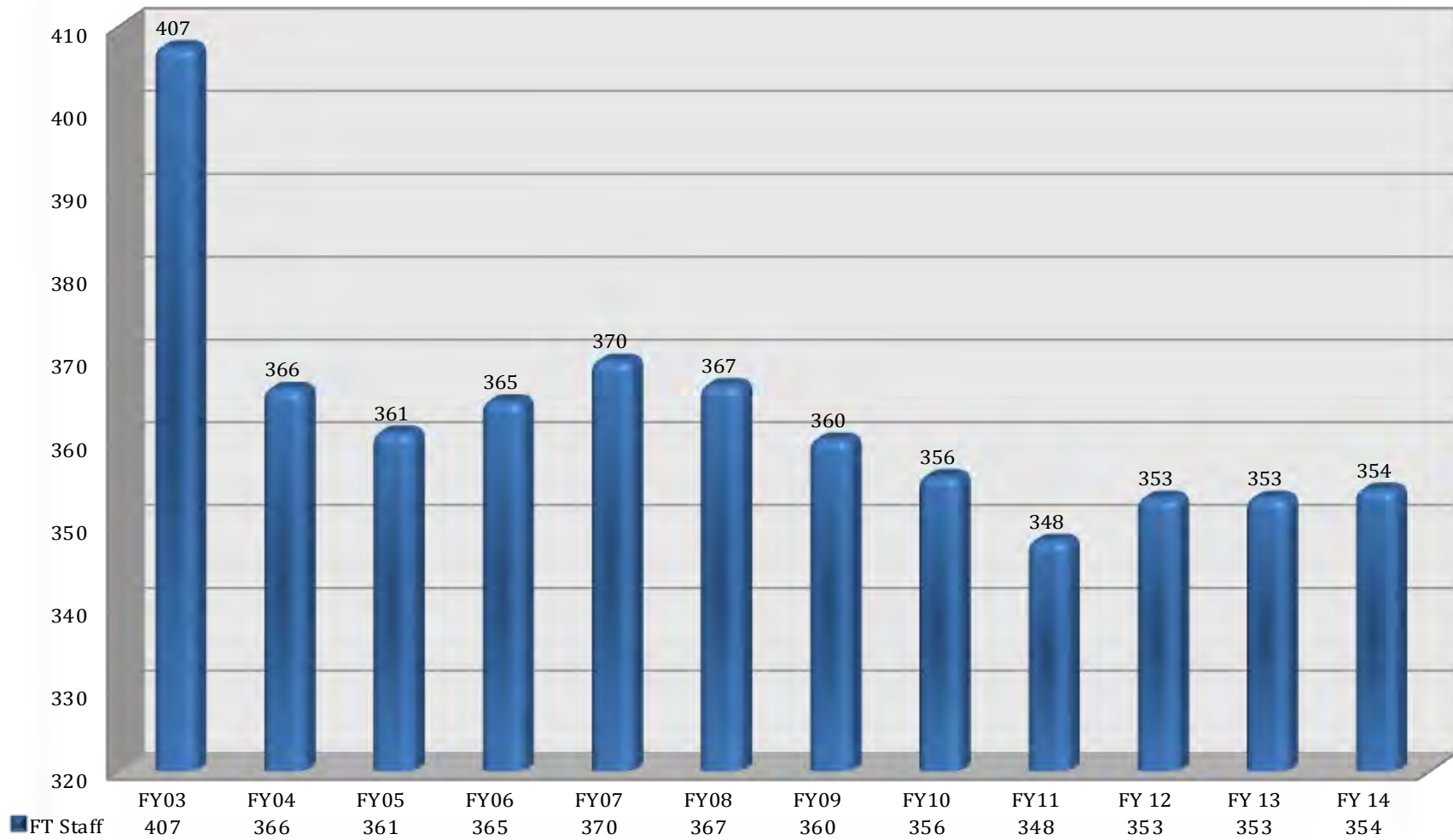
The increase in the library budget is driven primarily by miscellaneous expenses and wage adjustments. The remaining increases are the result of the reorganization of staff that has allowed for the reinstatement of the Head of Adult Services position that was eliminated prior to the last override.

Recovering from Microburst and Hurricane Sandy

FY2013 has been a year in which Arlington faced several severe weather events which caused significant damage to Town infrastructure and assets. One of these events (July 2012 microburst) was unique to Arlington and the other (Hurricane Sandy) affected millions of people on the eastern seaboard and caused billions of dollars in property damage. One of the major Town assets that was significantly impacted by both events was our tree population. The Town lost nearly 200 trees through the combined impact of these two storms. In an effort to recover from this impact, the FY2014 budget proposal includes an additional \$40,000 appropriation for tree replanting. This is intended to be part of a multiyear effort to replant trees and replenish the Town's overall tree cover which was diminished via storm damage. This additional appropriation will increase the amount of trees planted by the Town on annual basis from approximately 100 to approximately 220 trees.



Town Personnel Trends FY 2003 - FY2014 FTEs





Healthcare/Other Post-Employment Benefits (OPEB)

The cost of healthcare premiums was initially assumed to increase by 7% in the FY2014 budget. However, the actual cost of premiums will be approximately 3.5%. The difference between initial projections and actual costs will result in an increased deposit to the Override Stabilization Fund.

The FY2014 healthcare budget proposal also includes a \$300,000 offset from the Town's Health Claims Trust Fund. This offset is included as a means of increasing the Town's contribution toward defraying its OPEB liability by a corresponding \$300,000 amount. The Town's Health Claims Trust Fund has an approximate balance of \$3,000,000 and these funds are limited by statute to pay for health insurance claims, or in the absence of claims, pay for health insurance premiums. The FY2014 recommendation to increase the OPEB contribution by \$300,000 is the first year in what is a recommendation to adopt this practice for the next ten years or until the Health Claims Trust Fund is exhausted.

Cost Savings/Performance Strategies

The Town has continuously pursued numerous strategies for reducing costs and becoming more productive. Recently the Town hosted a regionalization forum which was attended by officials from Bedford, Belmont, Burlington, Lexington, and Winchester. This forum was facilitated by the Metropolitan Area Planning Council (MAPC) and resulted in several areas where regional efforts are being set for further research and discussion. These areas included animal control, public transportation, and e-government initiatives. In addition to this, the Town currently has many service and purchasing contracts that are being implemented regionally.

Over the winter, the Town was awarded a grant for performance management through the Collins Center for Public Management at UMass Boston. With funding from the Commonwealth, the Collins Center will be facilitating the Municipal Performance Management Program which will offer technical assistance to participating municipalities. This innovative program will provide assistance to cities and towns looking to establish a performance management program or to improve their usage of data in management and policy-making.

Through the program, Arlington will receive the assistance of a trained analyst for roughly one day per week for five months to support the Town's efforts in developing a comprehensive performance management program. While the Town has had the systems in place to effectively collect and report data, we have not had the resources to build the framework for a performance management program. I am hopeful that by participating in this program, Arlington will build a system that will enable staff and departments to better utilize data in a meaningful way that will help guide service level decisions. This effort will help the Town to continue to evaluate current methods of service delivery and ensure that the most productive and cost effective methods are being deployed.



Most recently, the Town has entered into an agreement with Bedford to hire a Regional Energy Manager. This position will work with both Arlington and Bedford in meeting their goals as Green Communities.

The Town has also continued moving forward with its implementation of a GIS Strategy. Since the hiring of the GIS Coordinator, the Town has saved a significant amount of funding due to expanded internal capacity. As GIS moves toward full implementation, it is anticipated that it will continue to provide annual improvements in productivity and property address based data tracking.

In order to increase productivity each year, the Town must continue 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 gained through the effective use of technology will not be able to compete. To meet this need, the FY2014 budget proposes the addition of a Systems Analyst to the Information Technology Department. This position is added with the goal of enhancing the Town's ability to analyze vendor applications which may increase departmental efficiency as well as expand internal development capacity also aimed at updating the business practices of our departments. These efforts are undertaken in cooperation with the Information Technology Advisory Committee (ITAC) and are focused on investigating other new advances in technology that can enhance the efficiency and effectiveness of the Town's service delivery.

Energy

In 2010, Arlington was named a Green Community by the State's Green Communities Division and received a \$200,188 grant for several energy efficiency projects. This honor recognized the work that Arlington has done in the past to reduce energy usage, and the plans it has to further reduce energy use in the future. These plans are directed at attaining a 20% reduction in energy usage by the end of FY2014, using FY2009 as a baseline. As of the end of FY2012, the Town has reduced energy usage by 19%. This is a result of a number of energy conservation measures (ECM's) being implemented throughout the Town's buildings, which have leveraged both state and federal grant awards along with rebates and incentives from the utilities. Most recently in 2012, Arlington was awarded a \$250,000 grant from the Green Communities Division to install variable speed drives at multiple town and school facilities as well as upgrade the HVAC system on the sixth floor of Arlington High School. This spring, the Town plans to complete the retrofit of its street lights to LED technology, which will allow for a reduction of \$53,000 in the FY2014 street lighting budget. The Town also plans to begin implementing further ECM's by utilizing the \$200,000 appropriation that Town Meeting approved in 2012 earmarked for energy efficiency projects.

Collective Bargaining

All Town and school employee unions have contracts in place through FY2015 with the exception of the Patrol union, whose current contract expires at the close of the current fiscal year (FY2013). Negotiations with the Patrol union are underway for a FY2014 – FY2015 contract.



State Aid

In January, Governor Patrick proposed a \$226 million increase in Chapter 70 School Aid and level-funding for General Government Aid. Based upon the Governor's proposed budget and the Town's conservative estimates, state aid, exclusive of school construction aid, is projected to increase \$1,465,867, or 9.75%. As a result of eliminating Kindergarten fees this past fall, the Town is able to include Kindergarten students in the total enrollment projections submitted to the state. As a result, Chapter 70 funding is expected to increase approximately \$1,488,918. Overall FY2014 state aid, as used to balance the Town Manager's budget, will increase \$1,465,844 to a total of \$18,980,691. This total is inclusive of \$2,474,773 in school construction aid.

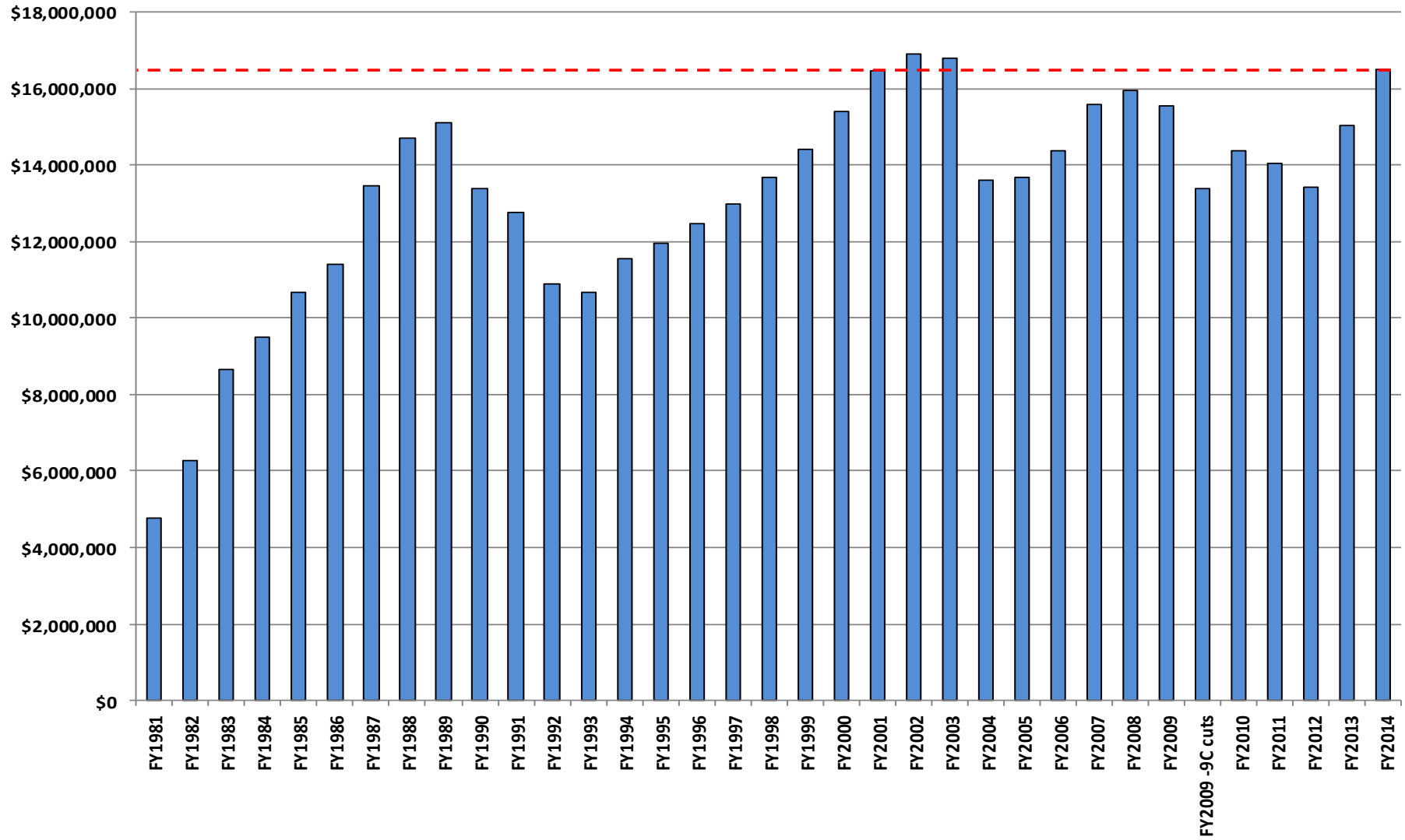
In FY2014 Unrestricted General Government Aid (UGGA) is expected to remain level at \$6,416,909. The Governor's budget proposes funding a new Cherry Sheet municipal aid account which will be allocated using a formula based on income and property wealth factors. This account is referred to as "Formula Aid." The Governor's proposed budget is contingent on a significant amount of new revenues. Given the uncertainty of Legislative approval of these new revenues, the Town Manager's budget does not include any additional revenue from the new Formula Aid account.

Exclusive of school construction aid, Arlington's projected state aid for FY2014 is less in real dollars than it received in FY2002, 12 years ago (see Chart on p. 12). Since 1987, Arlington has seen its share of total state aid cut by approximately 45% (see Chart on p. 13). Just since FY2002 Arlington's total state aid has decreased 19%. A look at the cumulative year-to-year increases and decreases since FY2002 (see Chart on p. 14) also shows how Arlington has been disproportionately cut. Since FY2002 local aid for all municipalities initially dropped by approximately 8%, rebounded through FY2009 to a 20% increase, and in FY2014 ends in a cumulative increase of 16%. 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 FY2013 the cumulative year-to-year change since FY2002 was a decrease of 13.8%, however in FY2014, Arlington remains disproportional from other municipalities despite a significant increase in state aid. To further illustrate this impact, the average state aid for municipalities in Massachusetts has increased 16.4% from FY2002, while in FY2014 Arlington's cumulative year-to-year change since FY2002 is a decrease of 2.4%



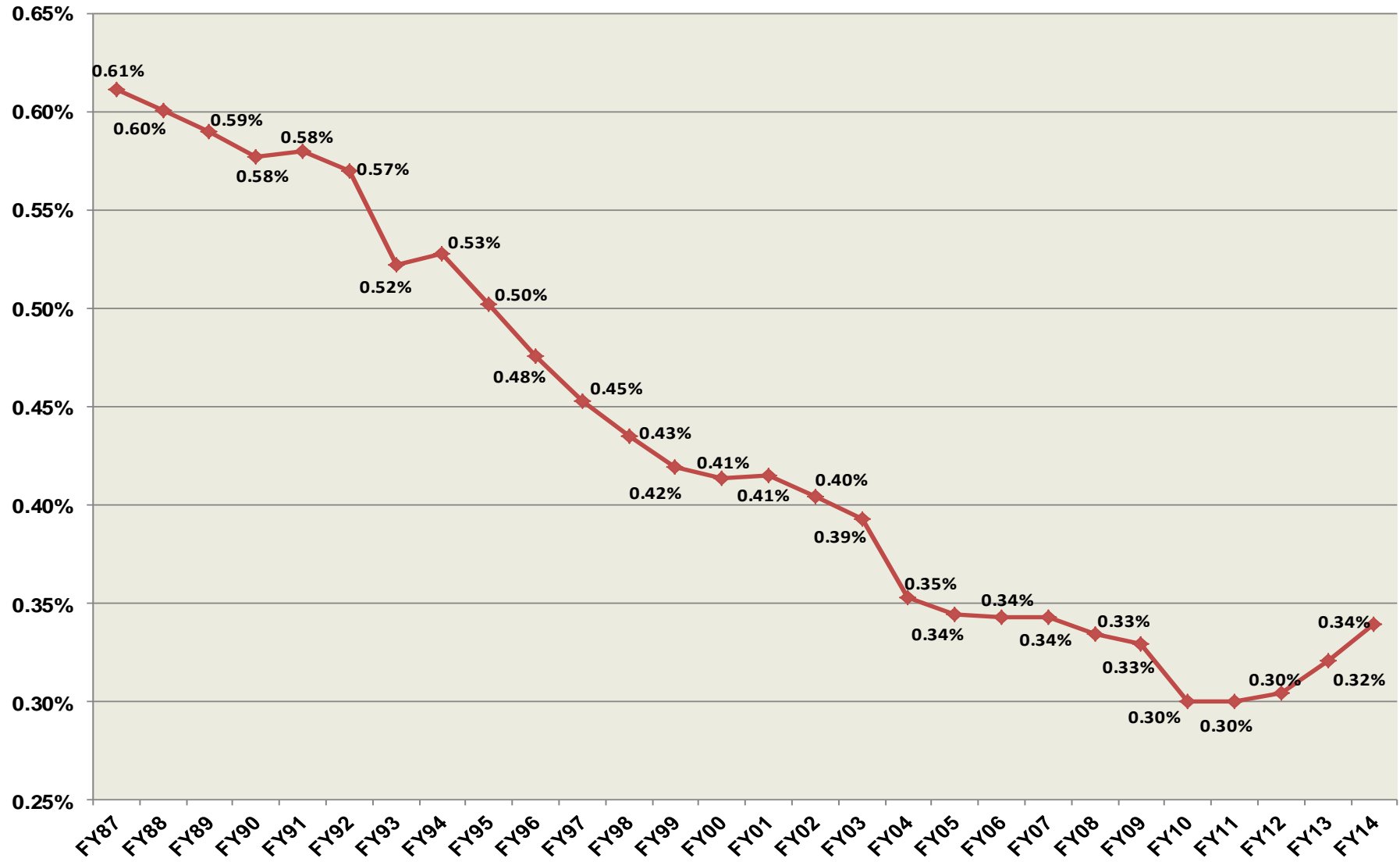
STATE AID RECIPITS

(Numbers exclude School Construction and METCO reimbursements)





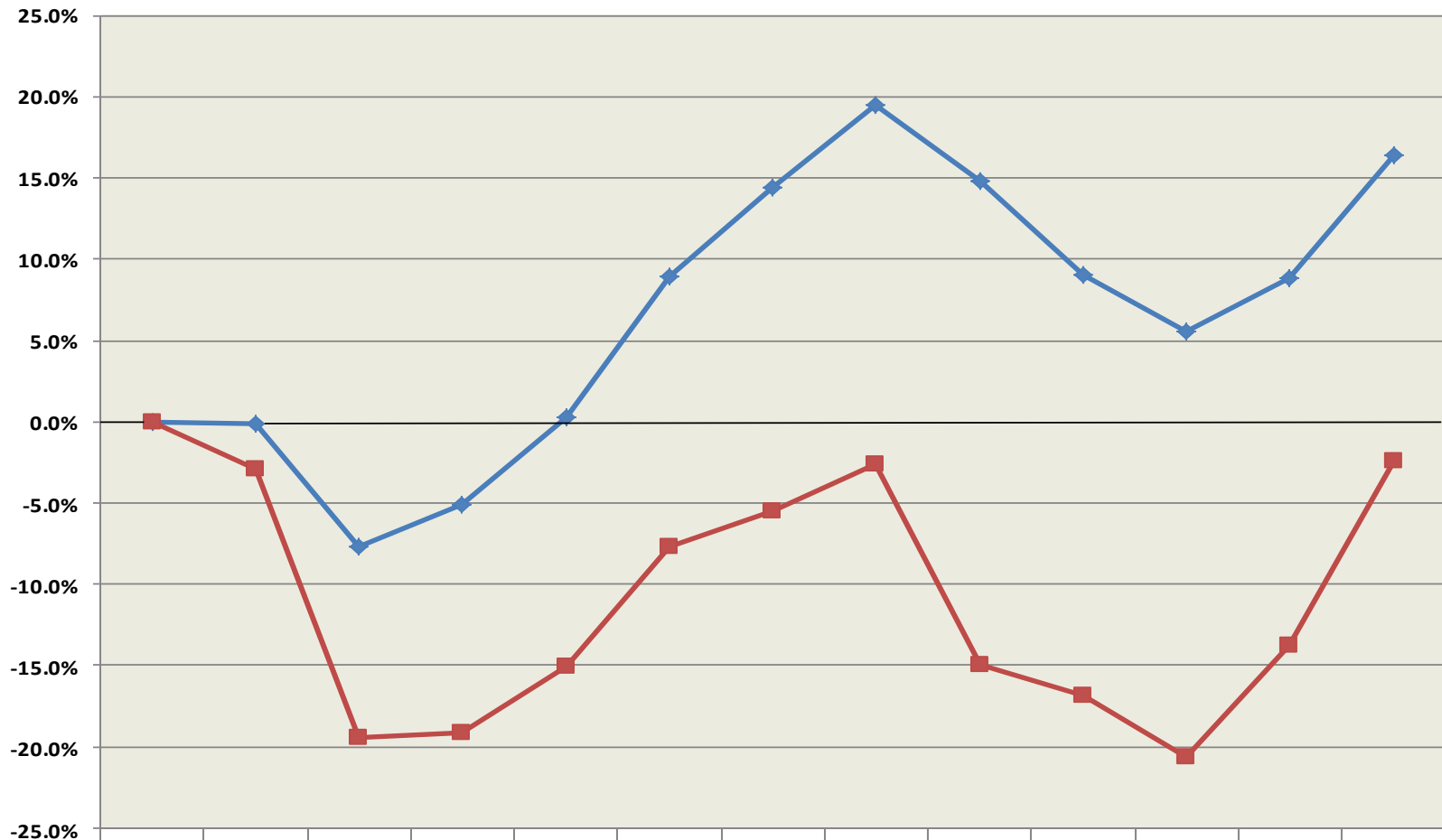
Arlington's Percent of Total State Aid





State Aid Cumulative Year-to-Year Percent Change Since Fiscal Year 2002

(Numbers Exclude School Construction and METCO Reimbursements)



◆ All Municipalities	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
	0.0%	-0.1%	-7.7%	-5.1%	0.3%	8.9%	14.4%	19.5%	14.8%	9.1%	5.6%	8.8%	16.4%
■ Arlington	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
	0.0%	-2.9%	-19.5%	-19.2%	-15.0%	-7.7%	-5.5%	-2.6%	-14.9%	-16.8%	-20.6%	-13.8%	-2.4%



Comparative Data

The FY2014 Annual Budget & Financial Plan includes a new set of comparable communities that includes Belmont, Brookline, Medford, Melrose, Milton, Natick, Needham, North Andover, Reading, Stoneham, Watertown, and Winchester. These communities were selected by Town, School, and Union leadership. These communities were identified based on a number of factors including; population, 5 year average municipal growth factor, population per square mile, median income per capita, median income per household, single family median home value, average family tax bill, total tax levy, excess capacity as a percentage of maximum levy and residential valuation as a percentage of the total tax levy.

There are a number of factors that contribute to Arlington's structural deficit – some common among all municipalities and some relatively unique to Arlington. 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 on page 16). Revenue from growth in the tax base ranks near the bottom among a group of 13 comparable communities (see Table 3). It is slightly greater than one-half of the state-wide average. Another indicator of the Town's ability and opportunity to raise revenue 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 thirteen comparable communities MRGF is 3.77 and 3.38 respectively. Arlington's is 3.47, which is below the state average and only recently has increased beyond 3.0 as a result of moderate growth in local receipts.

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 only 6% of the total. Table 5 shows that Arlington's commercial/industrial tax base ranks 10th out of 13 comparable communities. The average of these communities is 16.1%, almost triple that of Arlington. This affects not only the Town's ability to raise revenue, it places a heavier tax burden on the residential sector as there is almost no commercial/industrial sector with which to share the tax burden. Notwithstanding this, the tax burden, when measured several different ways, is below the average of the 13 comparable communities. In fact, the Town ranks 8th in taxes per capita (Table 6), and 10th in taxes per household as a percent of median household income (Table 7). 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 13 comparable communities. Arlington ranks 12th out of 13 comparable communities in overall expenditures per capita (see Table 8). The spending average of the other comparable communities is 30% greater than Arlington as is the state-wide spending average.

With spending well below the state-wide average and comparable communities, and with revenue growth opportunities well below the statewide average and nearly 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 2.4% reduction in state aid just since 2002, has left the Town with only two choices—significant budget cuts resulting in service reductions or Proposition 2 ½ general overrides.



Table 1		Table 2		Table 3		Table 4	
Municipality	Pop Per Square Mile	Municipality	Households Per Sq Mile	Municipality	New Growth Ave '10-'12	Municipality	Municipal Revenue Growth Factor
1 BROOKLINE	8,650	1 BROOKLINE	3,890	1 NEEDHAM	2.36	1 NEEDHAM	4.92
2 ARLINGTON	8,271	2 ARLINGTON	3,747	2 NATICK	1.79	2 NATICK	3.82
3 WATERTOWN	7,765	3 WATERTOWN	3,652	3 NORTH ANDOVER	1.37	3 BROOKLINE	3.77
4 MEDFORD	6,901	4 MEDFORD	2,787	4 BROOKLINE	1.32	4 NORTH ANDOVER	3.76
5 MELROSE	5,753	5 MELROSE	2,398	5 WATERTOWN	1.21	5 WINCHESTER	3.50
6 BELMONT	5,307	6 BELMONT	2,142	6 MEDFORD	1.06	6 ARLINGTON	3.47
7 WINCHESTER	3,539	7 STONEHAM	1,510	7 READING	1.06	7 READING	3.29
8 STONEHAM	3,486	8 WINCHESTER	1,309	8 BELMONT	1.03	8 STONEHAM	3.15
9 READING	2,492	9 READING	889	9 WINCHESTER	1.03	9 WATERTOWN	3.10
10 NEEDHAM	2,291	10 NATICK	886	10 MELROSE	0.95	10 MELROSE	3.00
11 NATICK	2,189	11 NEEDHAM	860	11 ARLINGTON	0.91	11 BELMONT	2.98
12 MILTON	2,071	12 MILTON	703	12 MILTON	0.81	12 MEDFORD	2.97
13 NORTH ANDOVER	1,064	13 NORTH ANDOVER	373	13 STONEHAM	0.61	13 MILTON	2.33
Ave w/o Arlington	4,292	Ave w/o Arlington	1,783	Ave w/o Arlington	1.22	Ave w/o Arlington	3.38
Arlington	8,271	Arlington	3,747	Arlington	0.91	Arlington	3.47
				State-Wide Ave	1.59	State-Wide Ave	3.77



Table 5		Table 6		Table 7		Table 8	
Municipality	Commercial/ Industrial/ Personal % of Total Tax	Municipality	FY2013 Taxes Per Cap	Municipality	Per Household as % of 07-11 median	Municipality	FY2011 Total Exp Per Cap
1 WATERTOWN	32.93	1 NEEDHAM	3,477	1 NEEDHAM	7.6%	1 NEEDHAM	3,533
2 NATICK	23.28	2 WINCHESTER	3,243	2 NATICK	7.4%	2 WINCHESTER	3,379
3 MEDFORD	22.29	3 BELMONT	2,914	3 BELMONT	7.3%	3 BROOKLINE	2,976
4 NEEDHAM	22.13	4 BROOKLINE	2,897	4 WINCHESTER	6.9%	4 NATICK	2,891
5 STONEHAM	17.80	5 NATICK	2,706	5 MILTON	6.8%	5 READING	2,857
6 NORTH ANDOVER	17.08	6 WATERTOWN	2,456	6 WATERTOWN	6.8%	6 WATERTOWN	2,801
7 BROOKLINE	16.43	7 MILTON	2,406	7 BROOKLINE	6.6%	7 BELMONT	2,678
8 READING	10.12	8 ARLINGTON	2,288	8 NORTH ANDOVER	6.5%	8 STONEHAM	2,442
9 MELROSE	8.90	9 READING	2,226	9 READING	6.3%	9 MELROSE	2,435
10 ARLINGTON	6.26	10 NORTH ANDOVER	2,167	10 ARLINGTON	5.9%	10 MILTON	2,372
11 MILTON	6.26	11 STONEHAM	1,907	11 STONEHAM	5.7%	11 NORTH ANDOVER	2,293
12 BELMONT	5.67	12 MELROSE	1,779	12 MEDFORD	5.5%	12 ARLINGTON	2,029
13 WINCHESTER	5.05	13 MEDFORD	1,601	13 MELROSE	5.0%	13 MEDFORD	1,815
Ave w/o Arlington	16.18	Ave w/o Arlington	2,481	Ave w/o Arlington	6.5%	Ave w/o Arlington	2,706
Arlington	6.26	Arlington	2,288	Arlington	5.9%	Arlington	2,029
						State-Wide Ave	2,781



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. This has happened despite a reduction of nearly 50% in the Town's workforce and spending levels near the bottom of its comparable communities.

The annual structural deficit is estimated between \$2.0 and \$2.5 million. As a result of being a built out community with little growth in its tax base and sustaining the massive cuts in state aid (Arlington receives less real dollars in state aid than it did in 2002), the Town has had to rely on periodic tax overrides to sustain service levels. Still, in the 30 years of Proposition 2 ½, there have been only three general tax overrides. In 2005 an override was passed based upon a plan that would cover the annual deficit for five years. Despite substantial cuts to state aid and a collapse of the global economy, with tight budget constraints, the funds were made to last six years. The override passed in 2011 was based upon a three-year plan.

As a result of the change to the Town's employee health care program, which has provided significant savings, it is now projected that the override funds can be stretched to last seven years rather than only three. This will still require tight constraints on budgets. Despite fixed cost increases and federal and state mandates, Arlington's increase is being held to 3.34%.

Capital

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 FY2014 funding for the capital budget is as follows:

Bonding:	\$3,575,500
Cash:	\$1,450,700
Other:	\$3,506,000

Our existing non-exempt debt is \$5,664,135 which is consistent with prior debt service projections for FY2014. The total capital budget for FY2014, including debt, is estimated at \$9.8 million. Major projects to be funded in FY2014 include: architectural design plans for the Central Fire Station at \$450,000, street and sidewalk work for approximately \$1.5 million, water and sewer work for \$2.5 million, and park renovation work for \$486,250. The FY2014 budget also includes \$200,000 for a new Rescue/Ambulance, and \$131,000 in funding for new police cruisers.



Five Year 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 23. These projections will, of course, have to be modified as events unfold, but we believe that they are reasonable for fiscal planning purposes.

Revenue assumptions include the following:

- **Overall revenues** are expected to increase 5.0% in FY2014. Future year increases range from 0.84% to 3.97%. FY2016 increases 2.63% due to the initial use of override stabilization funds to cover increased debt service costs and an increased tax abatement reserve because it is a revaluation year. In the FY2017 and FY2018, the overall increases are 3.99% and 3.84% respectively. This is a result of the increased use of override stabilization funds to balance the budget.
- **Tax Levy** – The FY2014 tax levy is projected to increase by approximately 3.09%, a higher than normal increase which is attributable to the first full debt service payment for the Thompson School. Future year increases are projected to be between approximately 2.7% per year. New growth is projected at \$450,000 per year. Actual debt for Proposition 2 ½ debt exclusion school projects minus state reimbursements are included and amount to approximately \$1 million each year. FY2014 includes excluded debt of approximately \$300,000 relative to the Symmes Urban Renewal project. After FY2014 property tax payments from Symmes are expected to cover the Symmes debt.
- **State Aid** – Due to the elimination of kindergarten fees which resulted in an increase in student enrollment, the Town expects to receive a Chapter 70 increase of \$1,474,476 in FY2014 resulting in an overall state aid increase of \$1,465,867 (9.75%). Thereafter, increases are projected at only 1%.
- **School Construction Reimbursement** - Projected to decrease by \$23 in FY2014 to \$2,474,773 due to bond refinancing.
- **Local Receipts** – Local Receipts are estimated to increase by \$50,000 in FY2014 due to projected increases in Motor Vehicle Excise tax collections, interest income and an increase in Payments in of Lieu of Taxes from the new owners of the Crosby School. It is anticipated that Local Receipts will continue to grow by \$50,000 increments thereafter.
- **Free Cash** – In FY2014, \$3,411,528 is proposed to be appropriated, which is 50% of the Town's available free cash balance. For FY2015 and in each subsequent year, \$1,500,000 is proposed to be appropriated.
- **Other Available Funds** – A transfer of \$100,000 from surplus tax abatement overlay reserve funds is projected in FY2014. Transfers of \$200,000 from surplus tax abatement are projected in each year of the plan thereafter.
- **Override Stabilization Fund** – For at least the first four years of the override (FY2012-2015) funds will be deposited into the Fund, resulting in an balance of approximately \$16.2 million. In FY2016, a draw down of \$529,607 will be required to balance the budget.



In FY2017 a draw down of \$2.9 million will be needed to close the budget gap leaving approximately \$12.8 million in the Fund to apply to a budget gap of approximately \$6 million in FY2018 (the seventh year of the override). The remaining balance in the fund will be approximately \$6.7 million and will be used to offset the FY2019 projected deficit. These numbers are projections at this time and may vary significantly in future years.

Expenditure assumptions include the following:

- **School Budget** – Going forward, expenditures are capped at 3.5% for general education costs and 7% for special education costs.
- **Minuteman School** – In FY2014 the Town's assessment will increase by \$314,789 (10.42%) as a result of a decrease in regional enrollment which has increased Arlington's percentage of the school's total enrollment. Thereafter, increases are projected at 3.5%.
- **Municipal Departments** - Expenditures for municipal departments will increase by 3.34% in FY2014. In FY2014 and going forward, expenditures are capped at 3.5%.
- **Capital Budget** – Capital policies call for dedicating approximately 5% of net revenues to capital spending inclusive of non-exempt debt. Annual increases average approximately 3.5%.

Exempt Debt – This includes the actual cost of debt service for debt exclusion projects which include school projects and the Symmes project. The first full debt service payment for the Thompson School is included in the FY2014 budget. The Symmes debt service, at approximately \$300,000, is expected to be fully covered by Symmes property tax payments starting in FY2015.

Non-Exempt Debt – This debt will fluctuate over the next several years but will average approximately \$6 million per year. Some of the recent major projects covered by exempt debt include the Stratton School, Highland & Park Circle Fire Stations, and the Community Safety building.

Cash – In FY2014 \$1,450,700 in cash funded capital projects is included. This amount fluctuates in future years.

- **MWRA Debt Shift** – The amount has been level funded at \$5,593,112.
- **Pensions** – In FY2014 the pension appropriation will increase of 5.83%, and thereafter, increases 6% annually.
- **Insurance (including healthcare)** – Health care and insurance costs are expected to decrease by 2.42%. Actual employee premiums are projected to increase by 3.5%, but a \$300,000 reduction in the appropriation to the employee mitigation fund and a \$300,000 offset to the group insurance budget, which will enable the Town to increase the appropriation to the OPEB fund has resulted in an overall decrease of 2.42%. Without the reduction to the employee mitigation fund and the impact of the OPEB offset, insurance costs would increase by a modest 1.5%. Thereafter costs are projected to increase 7% per year.



- **State Assessments** – In FY2014, the MBTA assessment, which is the largest assessment, is projected to increase by \$29,453 (1%) and the Charter School Sending Tuition assessment is projected to increase by \$47,990 (24%) due to increased number of students attending charter schools. Overall, state assessments are projected to increase by 2.78%, and 2.50% annually thereafter.
- **Offset Aid** – These grants to schools and the library are decreased slightly in FY2014 based upon preliminary cherry sheets and thereafter held level.
- **Overlay Reserve** – This reserve for tax abatements is increased in revaluation years, which occur every three years. For the revaluation years FY2013 and FY2016, the reserve is increased to \$800,000. In non-revaluation years, FY2014 included, it is reduced to \$600,000.
- **Other** – This includes court judgments, deficits such as snow removal and Symmes property taxes reserved for Symmes debt. The estimate is \$700,000 for each year.
- **Warrant Articles** – Appropriations for miscellaneous warrant articles have been estimated at between \$650,000 and \$700,000 each year. In FY2014 however, the warrant article appropriation increases by \$254,945 (32.1%) for a total of \$1,049,213 as a result of increasing the appropriation to the OPEB fund by \$300,000.
- **Override Stabilization Fund** – Appropriations into the fund in FY2014 and FY2015 are projected at approximately \$6.1million, and \$2.2 million respectively. After FY2015 it is projected that draw downs from the fund will be necessary.



Conclusion

Every effort has been made to implement all appropriate measures that will 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 next few months, the estimates and recommendations contained herein will be adjusted as required. You will then be able to make operating and capital budget adjustments as deemed advisable prior to Town Meeting.

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

Respectfully submitted,

Adam W. Chapdelaine

Town Manager



Long Range Financial Projection

	FY 2013	FY 2014	Dollar Change	Percent Change	FY 2015	FY 2016	FY 2017	FY 2018
I REVENUE								
A. State Aid	15,040,051	16,505,918	1,465,867	9.75%	16,665,927	16,827,536	16,990,761	17,155,618
School Construction Aid	2,474,796	2,474,773	(23)	0.00%	2,474,773	2,474,773	2,474,773	1,615,914
B. Local Receipts	8,455,000	8,505,000	50,000	0.59%	8,555,000	8,605,000	8,655,000	8,705,000
C. Free Cash/Muni Building Trust	1,570,000	3,411,528	1,841,528	117.29%	1,500,000	1,500,000	1,500,000	1,500,000
D. Overlay Reserve Surplus	200,000	100,000	(100,000)	-50.00%	200,000	200,000	200,000	200,000
E. Property Tax	98,009,381	101,039,058	3,029,677	3.09%	103,746,727	106,509,027	109,343,710	112,262,563
F. Override Stabilization Fund						529,607	2,907,855	6,083,233
TOTAL REVENUES	125,749,228	132,036,277	6,287,049	5.00%	133,142,427	136,645,943	142,072,100	147,522,328
II APPROPRIATIONS								
A. Operating Budgets								
School	45,612,598	47,675,113	2,062,515		49,844,818	52,127,914	54,530,992	57,061,056
General Education Costs	30,356,198	31,418,665	1,062,467	3.50%	32,518,318	33,656,459	34,834,436	36,053,641
Special Education Costs*	14,286,400	15,286,448	1,000,048	7.00%	16,356,500	17,501,455	18,726,557	20,037,415
Kindergarten Fee Offset	970,000	970,000	0	0.00%	970,000	970,000	970,000	970,000
Net School Budget	45,612,598	47,675,113	2,062,515	4.52%	49,844,818	52,127,914	54,530,992	57,061,056
Minuteman	3,022,146	3,336,935	314,789	10.42%	3,453,728	3,574,608	3,699,719	3,829,210
Town								
Personnel Services	22,935,142	23,064,316	129,174	0.56%	24,000,133	25,140,194	26,321,907	27,546,729
Expenses	9,210,916	9,951,601	740,685	8.04%	10,001,601	10,051,601	10,101,601	10,151,601
Less Offsets:								
Enterprise Fund/Other	1,688,999	1,791,215	102,216	6.05%	1,853,908	1,918,794	1,985,952	2,055,460
Tip Fee Stabilization Fund	400,000	164,000	(236,000)	-59%	0	0	0	0
Net Town Budget	30,057,059	31,060,702	1,003,643	3.34%	32,147,827	33,273,000	34,437,556	35,642,870
MWRA Debt Shift	5,593,112	5,593,112	0	0.00%	5,593,112	5,593,112	5,593,112	5,593,112
B. Capital budget								
Exempt Debt Service	2,800,366	3,018,625	218,259	7.79%	2,935,213	2,816,405	2,708,203	2,610,621
Non-Exempt Service	5,184,894	5,747,610	562,716	10.85%	5,817,502	6,187,350	6,402,112	6,261,419
Cash	1,462,356	1,450,700	(11,656)	-0.80%	1,330,450	1,322,256	1,337,025	1,230,863
Minus Capital Carry Forward	(103,796)	(385,625)	(281,829)	271.52%	(180,600)	(130,600)	(130,600)	(130,600)
Total Capital	9,343,820	9,831,310	487,490	5.22%	9,902,565	10,195,411	10,316,740	9,972,303
C. Pensions	7,710,766	8,160,032	449,267	5.83%	8,649,634	9,168,612	9,718,729	10,301,852
D. Insurance	15,105,214	14,739,366	(365,848)	-2.42%	15,771,122	16,875,100	18,056,357	19,320,302
E. State Assessments	2,989,683	3,072,843	83,160	2.78%	3,149,664	3,228,406	3,309,116	3,391,844
F. Offset Aid - Library & School	61,138	60,566	(572)	-0.94%	60,566	60,566	60,566	60,566
G. Overlay Reserve	1,454,204	600,000	(854,204)	-58.74%	600,000	800,000	600,000	600,000
H. Other	125,863	700,000	574,137	456.16%	700,000	700,000	700,000	700,000
I. Warrant Articles	794,269	1,049,213	254,945	32.10%	1,049,213	1,049,213	1,049,213	1,049,213
J. Override Stabilization Fund	3,879,357	6,157,085			2,220,179			
K. TOTAL APPROPRIATIONS	125,749,228	132,036,277	6,287,049	5.00%	133,142,427	136,645,943	142,072,100	147,522,328
BALANCE	0	0			0	0	0	0



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SECTION II

REVENUE



TOTAL REVENUE

Total revenue for FY2014 is projected at \$132,036,277, an increase of \$6,287,049, or 5.0%.

The property tax levy is projected to increase \$3,029,677, or 3.1%. This includes the normal 2.5% increase plus \$450,000 in new growth. In addition, the Town will raise \$456,500 on the tax levy for the purposes of paying the first full year of debt service on the Thompson School.

Local receipts are projected to increase \$50,000 due primarily to projected increases in Motor Vehicle Excise tax collections, Payments in Lieu of Taxes and Interest Income.

Based upon the Governor's proposed budget and the Town's conservative estimates, state aid is projected to increase \$1,465,844, or 9.7%. Governor Patrick has proposed the following: \$226 million increase in Chapter 70 School Aid, level-funding for General Government Aid and to fund a new Cherry Sheet municipal aid account which will be allocated using a formula based on income and property wealth factors. This account is being referred to as "Annual Local Formula Aid." As a result of eliminating Kindergarten fees this past fall, the Town is able to include Kindergarten students in the total enrollment number submitted to the state. As a result, Chapter 70 funding is expected to increase approximately \$1.4 million.

The Governor's proposed budget is contingent on a significant amount of new revenues. Given the uncertainty of Legislative approval of these new revenues, the Town Manager's budget does not include any additional revenue from the new Annual Local Formula Aid account. Overall FY2014 state aid, as proposed in the Town Manager's Budget, will increase \$1,465,844 to a total of \$18,980,691. This total is inclusive of \$2,474,773 in school construction aid.

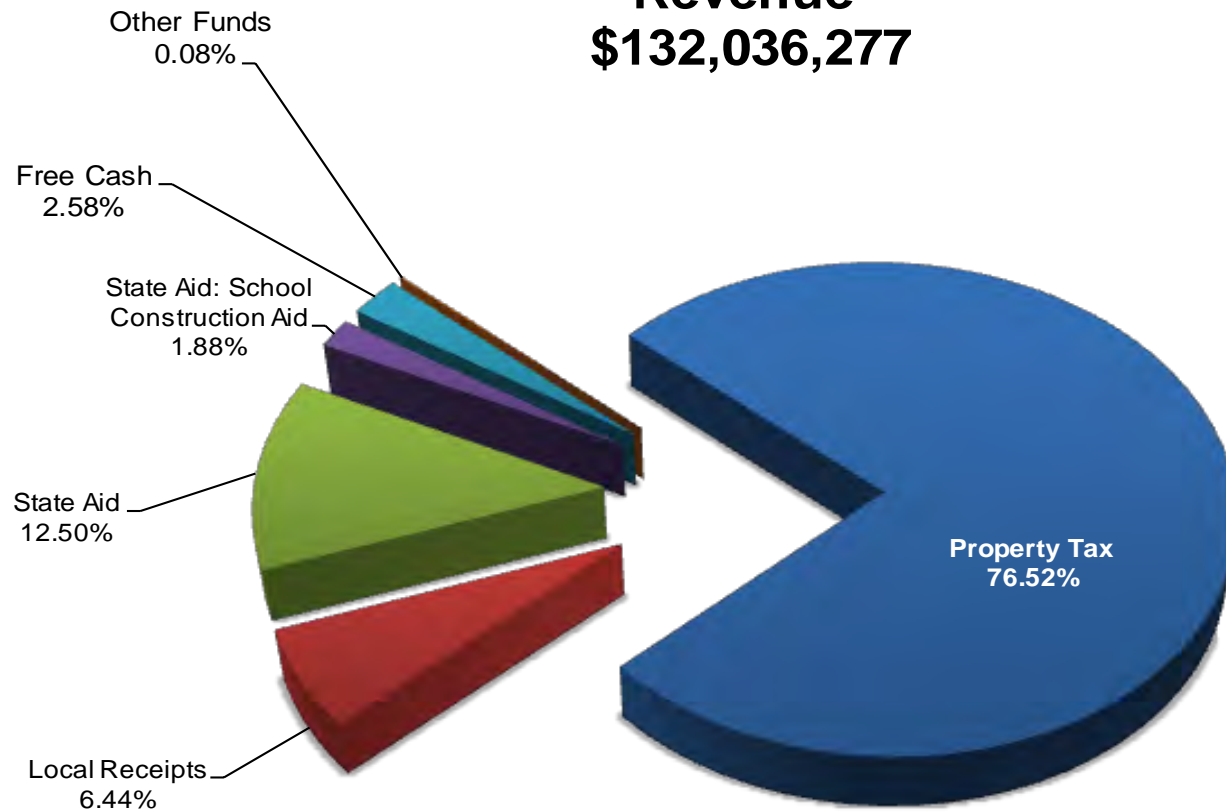
A total of \$3,411,528 in free cash is proposed to be used, which is an increase of \$1,841,528 from FY2013 and an amount equal to 50% of the Free Cash balance certified by the Department of Revenue in FY 2013.

Other Available Funds include only \$100,000 in surplus tax abatement overlay funds, the same amount as was used last year.

REVENUE SOURCE	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Tax Levy	85,958,974	95,002,494	98,009,381	101,039,058	3,029,677
Local Receipts	8,820,707	10,291,463	8,455,000	8,505,000	50,000
State Aid	16,597,530	15,895,539	17,514,847	18,980,691	1,465,844
Free Cash	582,051	481,456	1,570,000	3,411,528	1,841,528
Other Available Funds	2,080,000	200,000	200,000	100,000	(100,000)
Total	114,039,262	121,870,952	125,749,228	132,036,277	6,287,049



Revenue \$132,036,277





Total General Fund Revenues

	<u>FY05</u> <u>Actual</u>	<u>FY06</u> <u>Actual</u>	<u>FY07</u> <u>Actual</u>	<u>FY08</u> <u>Actual</u>	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Actual</u>	<u>FY11</u> <u>Actual</u>	<u>FY12</u> <u>Actual</u>	<u>FY13</u> <u>Budget</u>	<u>FY14</u> <u>Budget</u>
Tax Levy*	60,616,241	68,050,315	71,185,238	73,220,264	75,352,894	77,877,924	80,365,862	89,409,382	92,416,269	95,445,946
Local Receipts	8,437,095	8,834,256	9,188,329	9,024,278	8,715,308	8,653,173	9,238,654	10,291,463	8,455,000	8,505,000
State Aid**	14,046,847	14,790,887	15,600,746	15,972,745	15,568,470	14,382,965	14,066,445	13,420,743	15,040,051	16,505,918
Free Cash	1,414,803	1,614,155	1,939,695	954,736	2,191,622	1,497,907	582,050	481,456	1,570,000	3,411,528
Other Available Funds	500,000	400,000	400,000	500,000	500,000	3,242,376	2,080,000	200,000	200,000	100,000
Total	85,014,986	93,689,613	98,314,008	99,672,023	102,328,294	105,654,345	106,333,011	113,803,044	117,681,320	123,968,392

*Excludes MWRA Debt Shift

**Excludes MSBA Reimbursements

Annual Revenue Increases

	<u>FY05</u> <u>Actual</u>	<u>FY06</u> <u>Actual</u>	<u>FY07</u> <u>Actual</u>	<u>FY08</u> <u>Actual</u>	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Actual</u>	<u>FY11</u> <u>Actual</u>	<u>FY12</u> <u>Actual</u>	<u>FY13</u> <u>Budget</u>	<u>FY14</u> <u>Budget</u>
Tax Levy	1,910,098	7,434,074	3,134,923	2,035,026	2,132,630	2,525,030	2,487,938	9,043,520	3,006,887	3,029,677
Local Receipts	635,214	397,161	354,073	(164,051)	(308,970)	(62,135)	585,481	1,052,809	(1,836,463)	50,000
State Aid	101,153	744,040	809,859	371,999	(404,275)	(1,185,505)	(316,520)	(645,702)	1,619,308	1,465,867
Free Cash	(359,539)	199,352	325,540	(984,959)	1,236,886	(693,715)	(915,857)	(100,594)	1,088,544	1,841,528
Other Available Funds	0	(100,000)	0	100,000	0	2,742,376	(1,162,376)	(1,880,000)	0	(100,000)
Total	2,286,926	8,674,627	4,624,395	1,358,015	2,656,271	3,326,051	678,666	7,470,033	3,878,276	6,287,072
Percent Increase	2.8%	10.2%	4.9%	1.4%	2.7%	3.3%	0.6%	7.0%	3.4%	5.3%

Percent of Total Revenue

	<u>FY05</u> <u>Actual</u>	<u>FY06</u> <u>Actual</u>	<u>FY07</u> <u>Actual</u>	<u>FY08</u> <u>Actual</u>	<u>FY09</u> <u>Actual</u>	<u>FY10</u> <u>Actual</u>	<u>FY11</u> <u>Actual</u>	<u>FY12</u> <u>Actual</u>	<u>FY13</u> <u>Budget</u>	<u>FY14</u> <u>Budget</u>
Tax Levy	71.3%	72.6%	72.4%	73.5%	73.6%	73.7%	75.6%	78.6%	78.5%	77.0%
Local Receipts	9.9%	9.4%	9.3%	9.1%	8.5%	8.2%	8.7%	9.0%	7.2%	6.9%
State Aid	16.5%	15.8%	15.9%	16.0%	15.2%	13.6%	13.2%	11.8%	12.8%	13.3%
Free Cash	1.7%	1.7%	2.0%	1.0%	2.1%	1.4%	0.5%	0.4%	1.3%	2.8%
Other Available Funds	0.6%	0.4%	0.4%	0.5%	0.5%	3.1%	2.0%	0.2%	0.2%	0.1%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%



PROPERTY TAX LEVY

Property tax is the primary source of revenue for virtually every Massachusetts municipality. In Arlington, property taxes represent approximately 76% 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 FY2013. 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 approved by voters are added to the levy limit, while all related school construction reimbursements from the State are subtracted.

Property values and new growth for FY2014 are preliminary estimates used to project the levy limit. The FY2013 levy limit was \$91,310,473. The 2 ½% increase allowed for FY2014 is \$2,282,762. New growth from construction not previously on the tax rolls is expected to add \$450,000 to the FY2014 levy. An additional \$1,402,711 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 \$1,615,914. Beginning in FY2012, debt service for the Symmes Urban Renewal project was added to the tax levy. In the coming years, after the project is built and tax revenues continue coming in, the debt will no longer be added to the tax levy.

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 FY2014 tax levy is projected to total \$101,039,058 representing an increase of \$3,029,677 (3.1%) over the FY2013 levy.

PROPERTY TAX LEVY	FY2011 Actual	FY2012 Budget	FY2013 Budget	FY2014 Budget	Budget Change
Base Tax Levy	79,419,992	81,930,096	91,297,613	94,043,235	2,745,622
General Override	-	6,490,000	-	-	-
Debt Exclusion Overrides					
Brackett School	212,646	188,605	167,209	139,164	(28,045)
Hardy School	88,063	42,934	53,045	19,564	(33,481)
Bishop School	83,548	67,227	51,842	34,426	(17,416)
Peirce School	253,394	67,399	178,251	155,856	(22,395)
Dallin School	308,219	315,991	296,956	290,072	(6,885)
Thompson School	-	-	92,813	456,500	363,687
Symmes Debt		307,130	278,540	307,130	28,590
Sub-total Debt Exclusions	945,870	989,286	1,118,656	1,402,711	284,055
Water and Sewer Debt	5,593,112	5,593,112	5,593,112	5,593,112	-
Total	85,958,974	95,002,494	98,009,381	101,039,058	3,029,677

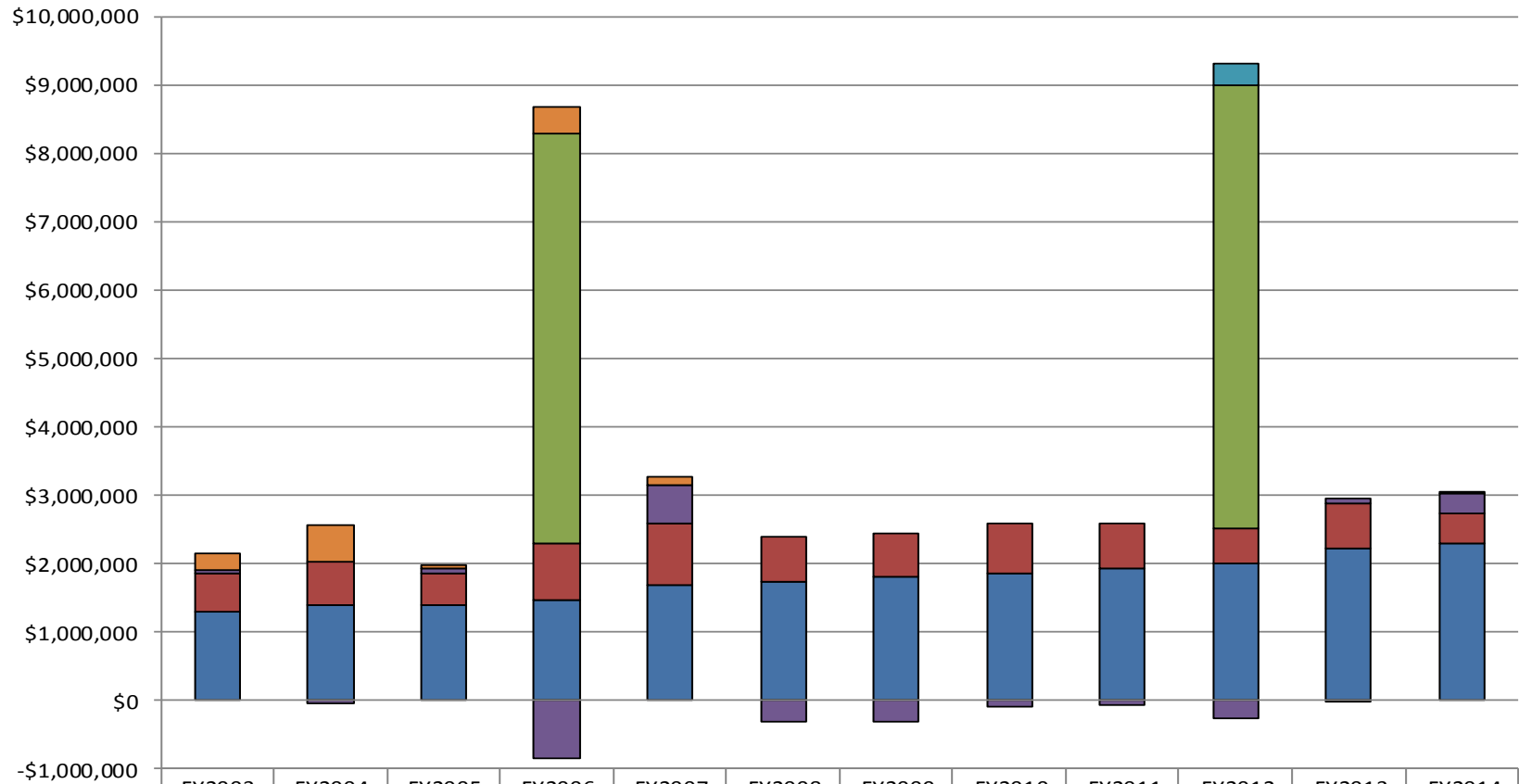


Fiscal Year	Real Estate & Personal Property Commitments	Abatements Granted	Tax deferral Abatements (Ch 41A)	Net Tax Levy	Net Collections	% of Collections	Amount transferred into tax title	Tax Title Balance as of June 30th	Tax Possession Balance as of June 30th	Tax Deferral Balance as of June 30th
2012	95,185,766.56	427,191.48	47,748.92	94,710,826.16	94,287,096.98	99.56%	423,729.18	858,108.74	396,784.20	307,667.70
2011	86,093,152.50	465,825.69	51,677.04	85,575,649.77	84,199,193.25	99.56%	375,360.09	650,009.11	396,784.20	303,386.69
2010	83,612,918.72	483,555.47	61,658.71	83,067,704.54	82,652,328.29	99.50%	415,059.45	781,121.00	396,784.20	363,475.82
2009	81,073,914.29	487,858.75	77,402.97	80,508,652.57	80,065,721.17	99.45%	480,507.03	707,145.88	396,784.20	393,703.43
2008	78,887,655.80	472,051.80	72,738.36	78,342,865.64	78,066,532.84	99.65%	276,332.81	471,582.61	396,784.20	377,006.41
2007	76,885,362.74	342,368.47	84,469.92	76,458,524.35	76,243,171.54	99.72%	216,092.26	339,191.03	396,784.20	390,472.48
2006	73,601,851.23	343,515.23	87,097.83	73,171,238.17	72,939,691.01	99.68%	231,489.78	324,280.65	396,784.20	380,256.66
2005	65,779,185.77	302,203.09	58,911.88	65,418,070.80	65,202,793.72	99.67%	234,667.16	339,307.20	396,784.20	285,068.38
2004	63,831,019.20	391,879.53	49,554.72	63,389,584.95	63,223,644.05	99.74%	165,940.90	258,629.93	396,784.20	274,115.15
2003	61,323,172.92	369,352.26	41,586.52	60,912,234.14	60,699,775.08	99.65%	212,459.06	317,178.44	397,922.00	247,855.77
2002	59,183,329.33	375,235.37	47,510.62	58,760,583.34	58,615,862.62	99.75%	144,720.72	216,588.20	397,922.00	347,816.81
2001	55,924,516.87	436,168.37	56,445.54	55,431,902.96	55,316,386.89	99.79%	115,516.07	181,873.01	397,716.45	354,375.56
2000	54,173,527.31	349,142.62	66,695.63	53,757,689.06	53,624,936.83	99.75%	132,752.23	196,203.75	397,716.45	338,813.24
1999	52,534,913.05	433,671.59	61,654.42	52,039,587.04	51,927,624.56	99.78%	173,616.90	187,455.40	383,233.92	338,142.22
1998	49,567,583.07	449,042.82	55,312.92	49,063,227.33	48,905,560.52	99.68%	157,666.81	284,217.96	407,244.12	286,763.02

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



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
MWRA Debt	260,958	517,348	69,732	371,757	117,626	-	-	-	-	-	-	-
Symmes Debt Exclusion	-	-	-	-	-	-	-	-	-	307,130	(28,590)	28,590
School Debt Exclusion	44,571	(51,943)	56,628	(859,302)	558,473	(319,928)	(316,820)	(93,659)	(79,675)	(263,714)	68,273	278,721
General Override	-	-	-	6,000,00	-	-	-	-	-	6,490,00	-	-
New Growth	544,075	649,223	458,531	844,013	887,247	640,013	642,912	726,955	656,751	522,167	657,203	450,000
2.5% Increase*	1,299,50	1,378,66	1,394,93	1,449,36	1,689,20	1,736,64	1,796,06	1,857,039	1,921,639	1,986,099	2,211,055	2,282,762



LOCAL RECEIPTS SUMMARY

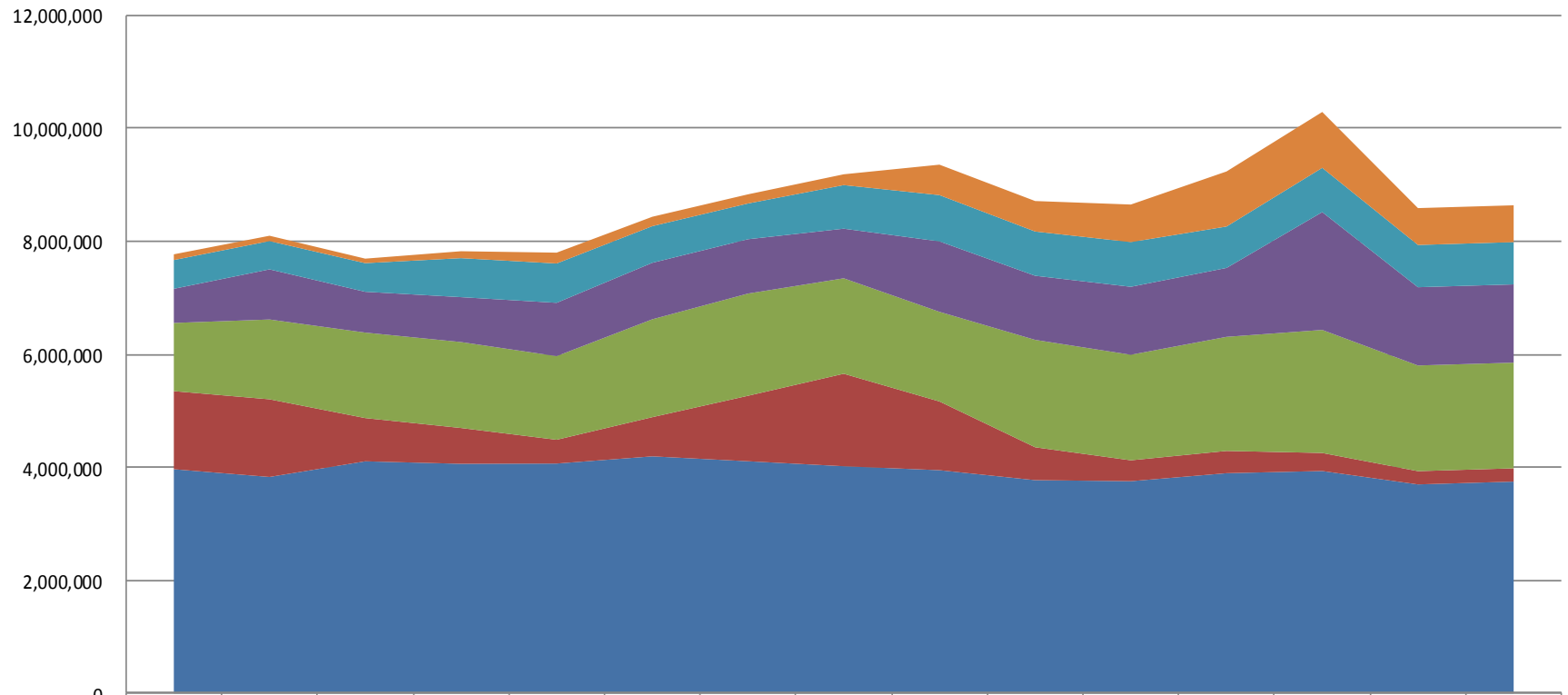
Local receipts for FY2014 are projected to increase \$50,000 to a total of \$8,505,000. Revenue from Motor Vehicle Excise taxes is projected to increase \$50,000 and revenue from Payments in Lieu of Taxes and Interest Income are expected to increase \$38,000 and \$15,000 respectively. The projected increases in Motor Vehicle Excise taxes and Interest Income are reflective of actual collections over the past several years. In addition, rental revenue from the Parmenter School will increase by \$5,000 as a result of renegotiated leases.

Revenue from Fire Alarm Renewal Fees is projected to decrease by \$15,000 as a result of the transition to the new fire alarm system. Medicare Part D reimbursements have been completely phased out which will result in a \$42,000 revenue reduction. Food permit fees are also projected to decrease \$1,000.

LOCAL RECEIPTS SUMMARY	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Motor Vehicle Excise	3,898,459	3,937,079	3,700,000	3,750,000	50,000
Interest Income	394,264	319,642	235,000	250,000	15,000
Departmental Fees	2,018,958	2,177,505	1,870,000	1,855,000	(15,000)
Licenses and Permits	1,219,481	2,085,368	1,385,000	1,384,000	(1,000)
Rentals	733,270	783,145	613,000	618,000	5,000
Other	974,222	988,724	652,000	648,000	(4,000)
Total	9,238,654	10,291,463	8,455,000	8,505,000	50,000



Local Receipts History



	Actual FY00	Actual FY01	Actual FY02	Actual FY03	Actual FY04	Actual FY05	Actual FY06	Actual FY07	Actual FY08	Actual FY09	Actual FY2010	Actual FY2011	Actual FY2012	Budget FY2013	Budget FY2014
Other	100,945	94,165	79,375	122,272	191,558	166,224	162,289	190,960	538,924	538,924	664,332	974,222	988,724	652,000	652,000
Rentals	508,819	500,978	506,840	690,231	696,252	648,334	632,505	771,319	818,608	783,600	791,045	733,270	783,145	748,000	748,000
Licenses and Permits	604,759	887,076	722,072	794,763	943,446	999,757	961,320	878,090	1,247,073	1,134,294	1,202,871	1,219,481	2,085,368	1,385,000	1,385,000
Fees/Departmental	1,206,792	1,412,070	1,512,748	1,520,578	1,480,066	1,731,991	1,808,831	1,689,345	1,586,298	1,900,729	1,867,994	2,018,958	2,177,505	1,870,000	1,870,000
Interest Income	1,382,410	1,374,590	765,790	634,352	421,000	693,999	1,159,204	1,636,644	1,216,410	582,123	369,782	394,264	319,642	235,000	235,000
Motor Vehicle Excise	3,968,543	3,832,194	4,108,738	4,064,678	4,069,559	4,196,714	4,110,106	4,021,994	3,951,802	3,775,638	3,757,149	3,898,459	3,937,079	3,700,000	3,750,000



MOTOR VEHICLE EXCISE

Motor vehicle excise tax receipts are expected to increase \$50,000 over the budgeted amount for FY2013 to a total of \$3.75 million. Commitments are continuing to increase towards what they were in 2008. 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 2012 is as of June 30, 2012.

<u>Levy Year</u>	<u>Commitments</u>	<u>Collections</u>	<u>Refunds</u>	<u>Net Collections</u>	<u>Abatements</u>	<u>Balance</u>	<u>Collection %</u>
2012	\$ 4,077,138	\$ 4,021,599	\$ 54,950	\$ 3,966,649	\$ 71,047	\$ 39,442	99.03%
2011	\$ 3,617,140	\$ 3,438,728	\$ 35,428	\$ 3,403,300	\$ 89,485	\$ 124,355	96.56%
2010	\$ 3,439,627	\$ 3,277,405	\$ 34,770	\$ 3,242,635	\$ 83,853	\$ 113,139	96.71%
2009	\$ 3,405,929	\$ 3,262,275	\$ 42,208	\$ 3,220,067	\$ 90,499	\$ 95,363	97.20%
2008	\$ 4,095,771	\$ 3,968,005	\$ 82,613	\$ 3,885,392	\$ 164,786	\$ 45,593	98.89%
2007	\$ 4,230,657	\$ 4,125,146	\$ 81,094	\$ 4,044,052	\$ 159,117	\$ 27,488	99.35%
2006	\$ 4,248,107	\$ 4,134,418	\$ 89,206	\$ 4,045,212	\$ 177,550	\$ 25,345	99.40%
2005	\$ 4,293,875	\$ 4,189,478	\$ 95,281	\$ 4,094,197	\$ 173,543	\$ 26,135	99.39%
2004	\$ 4,290,578	\$ 4,166,076	\$ 78,847	\$ 4,087,229	\$ 183,274	\$ 20,075	99.53%
2003	\$ 4,241,385	\$ 4,109,464	\$ 72,532	\$ 4,036,932	\$ 189,004	\$ 15,449	99.64%
2002	\$ 4,281,043	\$ 4,130,254	\$ 80,517	\$ 4,049,737	\$ 215,905	\$ 15,401	99.64%
2001	\$ 4,250,080	\$ 4,122,587	\$ 76,815	\$ 4,045,772	\$ 187,565	\$ 16,743	99.61%
2000	\$ 4,090,219	\$ 3,983,605	\$ 87,702	\$ 3,895,903	\$ 181,778	\$ 12,538	99.69%
1999	\$ 3,734,714	\$ 3,644,635	\$ 92,391	\$ 3,552,244	\$ 173,537	\$ 8,933	99.76%
1998	\$ 3,341,180	\$ 3,251,914	\$ 58,790	\$ 3,193,124	\$ 138,299	\$ 9,757	99.71%
1997	\$ 3,119,179	\$ 3,019,273	\$ 48,419	\$ 2,970,854	\$ 135,780	\$ 12,545	99.60%

MOTOR VEHICLE EXCISE	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Motor Vehicle Excise	3,898,459	3,937,079	3,700,000	3,750,000	50,000



DEPARTMENTAL FEES

Departmental fees are projected to decrease \$15,000 to \$1,855,000. The Town is in the process of completing the transition to fire alarm radio boxes. As a result, many businesses have contracted with a private vendor for fire alarm monitoring services which has resulted in a decline in Fire Alarm Renewal Fees. The other 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 revenue, which is the largest revenue source, is estimated to total \$585,000.

DEPARTMENTAL FEES	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Schools (Medicare Reimbursement)	254,343	198,121	150,000	150,000	-
Cemetery Revenue	302,075	313,997	300,000	300,000	-
Library Fees and Fines	56,259	56,141	55,000	55,000	-
Collector's Demand Fees	80,850	84,647	80,000	80,000	-
Town Clerk Fees	45,306	58,305	45,000	45,000	-
Parking Violations	346,030	368,192	340,000	340,000	-
Parking Meter Receipts	67,592	82,740	70,000	70,000	-
Fire Alarm Renewal Fee	24,782	17,800	20,000	5,000	(15,000)
Ambulance Fees	586,576	571,695	585,000	585,000	-
Other Departmental Revenue	255,145	425,867	225,000	225,000	-
Total	1,867,995	2,177,505	1,870,000	1,855,000	(15,000)



INTEREST INCOME & PENALTIES

Interest Income is projected to increase \$15,000 to \$250,000. It is made up of two components: investment income and interest and penalties associated with delinquent tax payments.

Investment income can vary widely depending upon market interest rates, available cash balances, cash flows, and investment practices. Investment income has dropped from a high of more than \$1.4 million in FY2007 to a projected amount of only \$50,000 in FY2014. This is due to the dramatic drop in interest rates.

Penalties and interest associated with delinquent tax payments are projected to increase to \$200,000. This projection is based on the rate of collections in FY2013 and FY2012.

INTEREST INCOME	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Investment Income	55,430	67,150	50,000	50,000	-
Penalties & Interest	338,834	252,492	185,000	200,000	15,000
Total	394,264	319,642	235,000	250,000	15,000



LICENSES AND PERMITS

Licenses and permits revenues for FY2014 are expected to decrease \$1,000 to \$1,384,000. Building Permits generally generate the most revenue. The Town has collected all of the permit revenue from the Symmes and Brigham's project which has had a significant impact on prior year projections. The Town collected \$230,757 in permit revenue from the Symmes project in FY2013 and approximately \$200,000 from the assisted living facility on the Symmes site.

Besides building permits, some of the other major categories of Licenses and Permits include parking permits and liquor licenses issued by the Selectmen, and fire permit fees, which include fire alarm connection fees. All of these are expected to remain flat.

The \$1,000 reduction is in the Food Permit category and aligns projections with actual collection history.

LICENSES AND PERMITS	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Parking Permits	148,124	150,087	140,000	140,000	-
Liquor Licenses	77,523	81,140	78,000	78,000	-
Food Licenses	6,456	6,863	6,500	6,500	-
Food Permits	14,990	14,115	15,000	14,000	(1,000)
Tobacco Permits	9,000	14,500	9,000	9,000	-
Building Inspections	848,213	1,665,598	1,025,000	1,025,000	-
Fire Prevention Permits	51,363	50,495	50,000	50,000	-
Marriage Licenses	6,510	8,209	6,500	6,500	-
Other	57,302	94,361	55,000	55,000	-
Total	1,219,481	2,085,368	1,385,000	1,384,000	(1,000)



RENTAL INCOME

The Town derives income from the renting of several Town-owned properties including the Gibbs 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 by \$5,000 to \$618,000.
 The Ryder Street property is rented for a five-year period, generating a net income of \$95,000 annually.

The Parmenter School leases have been extended through June 30, 2014. Projected rental income for the Parmenter School is projected to increase to \$185,000.

For FY2014, the Gibbs rental income is expected to remain flat at \$275,000.

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

The Crosby School, which has generated revenue in the past, was sold in June of 2012, and the proceeds were used as part of the plan to fund the reconstruction of the Thompson School.

RENTAL INCOME	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Ryder St.	93,283	112,004	95,000	95,000	0
Parmenter	174,967	188,797	180,000	185,000	5,000
Crosby	130,046	133,297	-	-	0
Gibbs	271,934	286,051	275,000	275,000	0
Mt. Gilboa	17,924	17,880	18,000	18,000	-
Dallin Library	45,116	45,116	45,000	45,000	-
Total	733,270	783,145	613,000	618,000	5,000



OTHER LOCAL RECEIPTS

Other local receipts are projected to decrease \$4,000 to \$648,000 due to the final phase-out of the Medicare Part D reimbursement from the federal government which will be partially offset by an increase in Payments in Lieu of Taxes.

In 2009, the Legislature gave the authority to Town Meeting to adopt optional increases to the meals and hotel taxes. At that time only the state collected revenue from the meals tax of 5%. Cities and towns were allowed to add an additional 0.75%. Also, the Town collected a room occupancy tax on hotels (there is only one hotel in Arlington) of 4% at that time. The state allowed cities and towns to increase that by 1% to a total of 5%. Both of these optional taxes were adopted by Town Meeting in the fall of 2009 to go into effect January 1, 2010. For communities that adopted these taxes with this effective date, they were allowed to estimate six months of collections in FY2010, eleven months in FY2011, and a full twelve months thereafter. For both FY2013 and FY2014, the total estimated collections for both taxes are \$550,000.

As a result of an agreement reached with the buyer of the Crosby School, Payments in Lieu of Taxes are expected to increase by \$24,000 to \$38,000. This revenue will partially offset the final phase-out of the Medicare Part D reimbursement which was projected to be \$42,000 in FY2013.

Court fines, primarily for moving violations, are projected to remain level at \$60,000.

OTHER LOCAL RECEIPTS	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Meals Tax	292,732	307,037	300,000	300,000	-
Hotel Tax	240,164	262,094	250,000	250,000	-
Court Fines	59,965	62,688	60,000	60,000	-
Medicare Part D Reimbursement	381,361	342,932	42,000	-	(42,000)
Special Assessments	-	-	-	-	-
Payments In Lieu of Taxes	-	13,973	-	38,000	38,000
Total	974,222	988,724	652,000	648,000	(4,000)



STATE AID SUMMARY

In January, Governor Patrick proposed a \$226 million increase in Chapter 70 School Aid and level-funding for General Government Aid. Based upon the Governor’s proposed budget and the Town’s conservative estimates, state aid, exclusive of school construction aid, is projected to increase \$1,465,867, or 9.75%. As a result of eliminating Kindergarten fees this past fall, the Town is able to include Kindergarten students in the total enrollment projections submitted to the state. As a result, Chapter 70 funding is expected to increase approximately \$1,488,918. Overall FY2014 state aid, as used to balance the Town Manager’s budget, will increase \$1,465,844 to a total of \$18,980,691. This total is inclusive of \$2,474,773 in school construction aid.

In FY2014 Unrestricted General Government Aid (UGGA) is expected to remain level at \$6,416,909. The Governor’s budget proposes funding a new Cherry Sheet municipal aid account which will be allocated using a formula based on income and property wealth factors. This account is referred to as “Formula Aid.” The Governor’s proposed budget is contingent on a significant amount of new revenues. Given the uncertainty of Legislative approval of these new revenues, the Town Manager’s budget does not include any additional revenue from the new Formula Aid account.

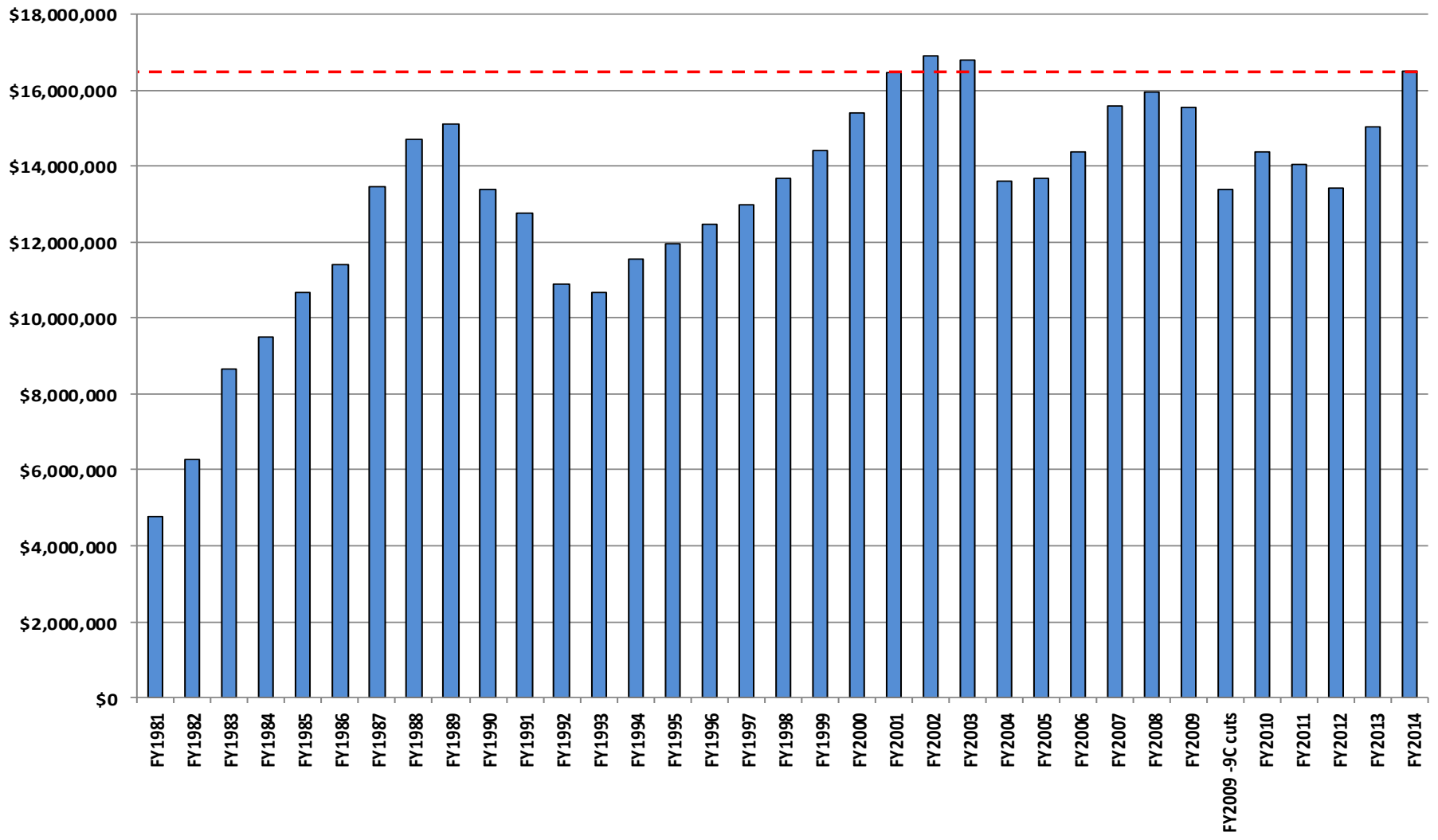
Exclusive of school construction aid, Arlington’s projected state aid for FY2014 is less in real dollars than it received in FY2002, 12 years ago (see chart on p. 40). Since 1987, Arlington has seen its share of total state aid cut by approximately 45% (see chart on p. 41). Just since FY2002 Arlington’s total state aid has decreased 19%. A look at the cumulative year-to-year increases and decreases since FY2002 (see chart on p. 42) also shows how Arlington has been disproportionately cut. Since FY2002 local aid for all municipalities initially dropped by approximately 8%, rebounded through FY2009 to a 20% increase, and in FY2014 ends in a cumulative increase of 16%. 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 FY2013 the cumulative year-to-year change since FY2002 was a decrease of 13.8%, however in FY2014, Arlington remains disproportional from other municipalities despite a significant increase in state aid. To further illustrate this impact, the average state aid for municipalities in Massachusetts has increased 16.4% from FY2002, while in FY2014 Arlington’s cumulative year-to-year change since FY2002 is a decrease of 2.4%

STATE AID SUMMARY	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Gen Government Aid	6,663,827	6,157,622	6,640,249	6,628,870	(11,379)
School Aid	7,153,462	7,012,560	8,160,512	9,649,430	1,488,918
School Construction	2,531,085	2,474,796	2,474,796	2,474,773	(23)
Tax Exemptions	190,609	188,476	178,152	167,052	(11,100)
Cherry Sheet Offsets	58,547	62,085	61,138	60,566	(572)
Total	16,597,530	15,895,539	17,514,847	18,980,691	1,465,844



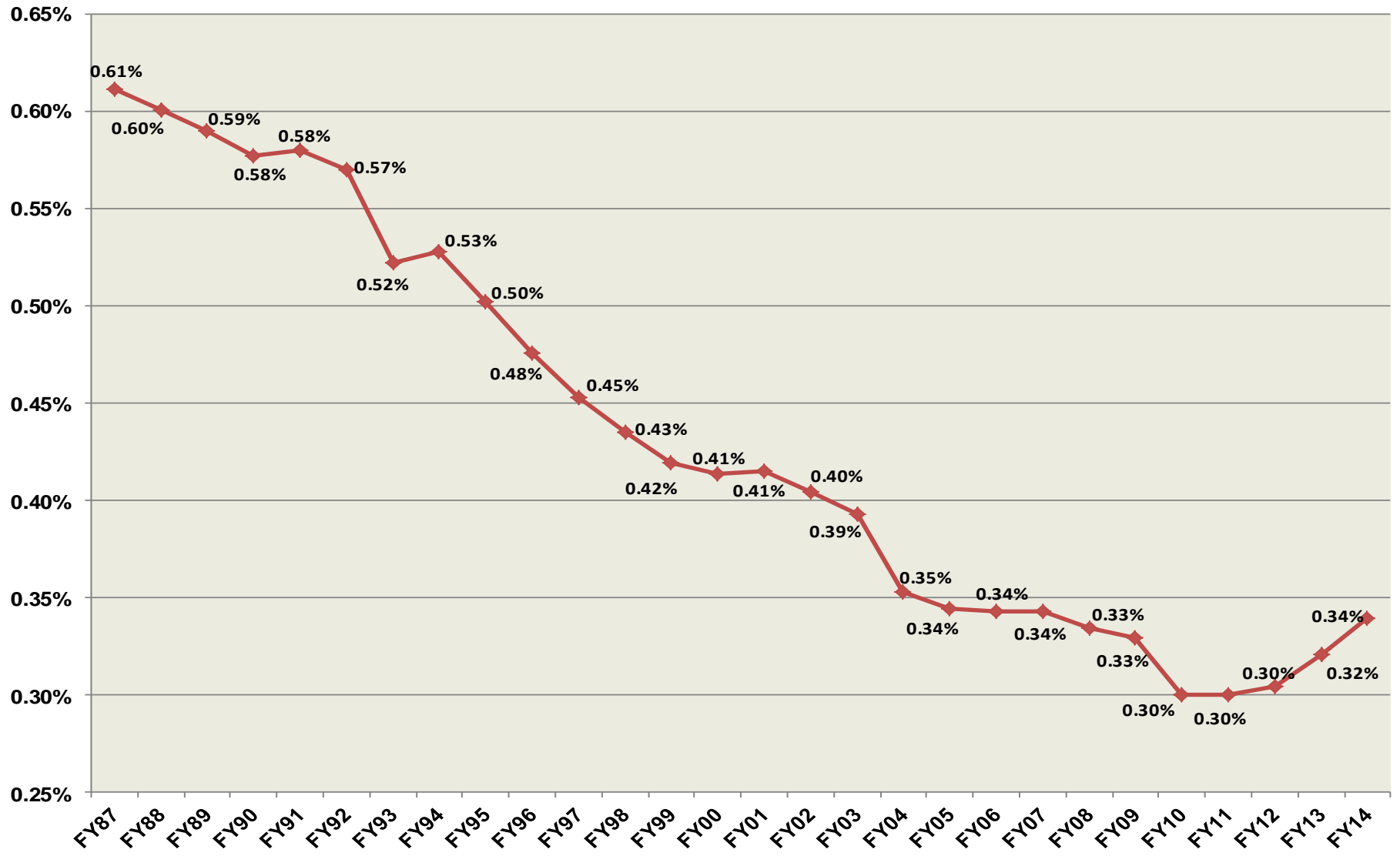
STATE AID RECEIPTS

(Numbers exclude School Construction and METCO reimbursements)





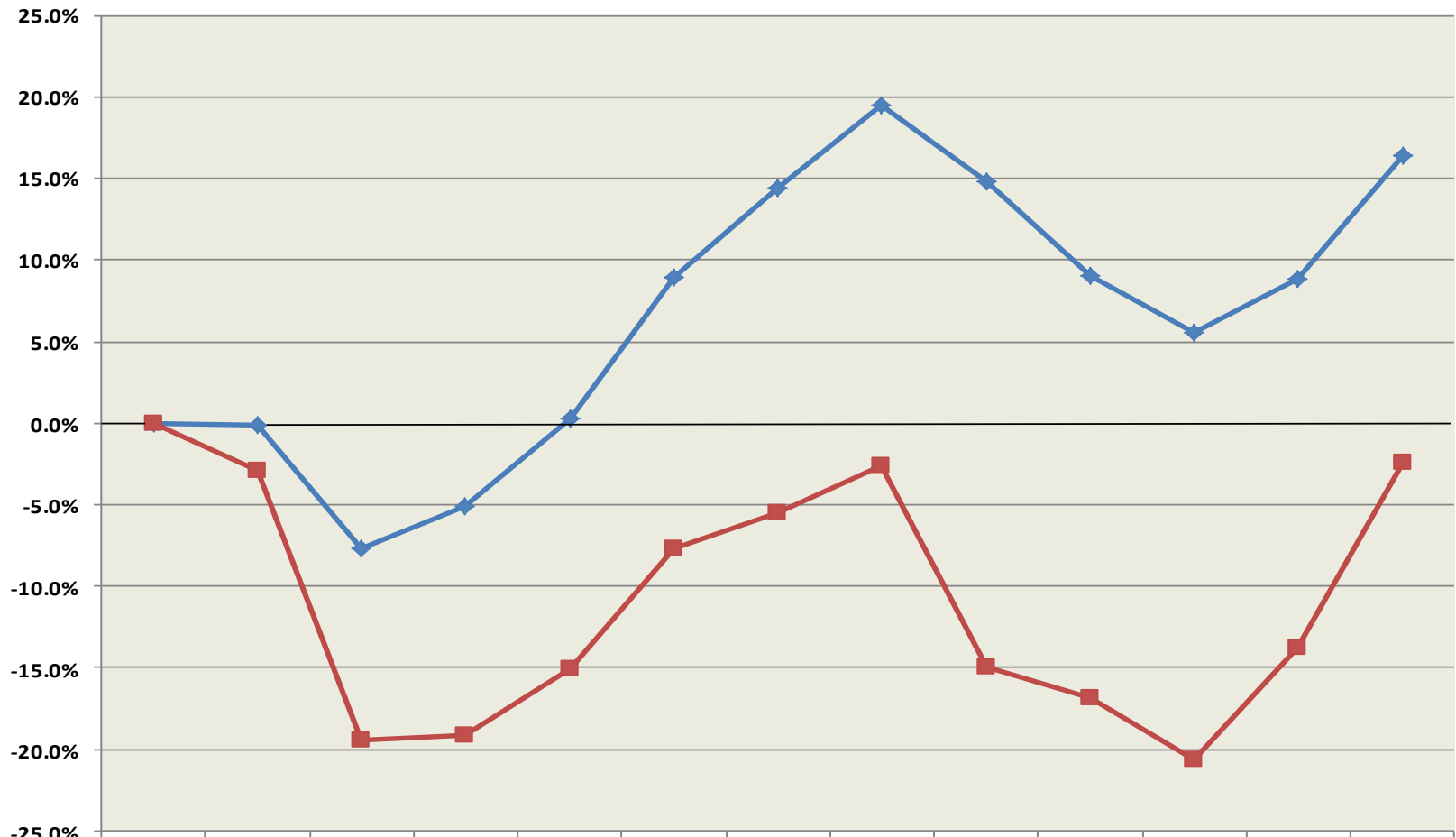
Arlington's Percent of Total State Aid





State Aid Cumulative Year-to-Year Percent Change Since Fiscal Year 2002

(Numbers Exclude School Construction and METCO Reimbursements)



	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14
All Municipalities	0.0%	-0.1%	-7.7%	-5.1%	0.3%	8.9%	14.4%	19.5%	14.8%	9.1%	5.6%	8.8%	16.4%
Arlington	0.0%	-2.9%	-19.5%	-19.2%	-15.0%	-7.7%	-5.5%	-2.6%	-14.9%	-16.8%	-20.6%	-13.8%	-2.4%



GENERAL GOVERNMENT

Unrestricted General Government Aid (UGGA)

In FY2014 UGGA is expected to remain level at \$6,416,909. The Governor's Budget proposes funding a new Cherry Sheet municipal aid account which will be allocated using a formula based on income and property wealth factors. This account is referred to as Annual Local Formula Aid. The Governor's proposed budget is contingent on a significant amount of new revenues. Given the uncertainty of Legislative approval of these new revenues, the Town Manager's budget does not include any additional revenue from the new Formula Aid account.

As historical background, 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 FY2013 this account was funded at \$6,416,909, approximately \$463,969 greater than what was funded in FY2012.

GENERAL GOVERNMENT	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Unrestricted General Government Aid	6,416,909	5,952,940	6,416,909	6,416,909	-
Veterans' Benefits	221,266	204,682	223,340	211,961	(11,379)
Police Career Incentive	25,652	-	-	-	-
Total	6,663,827	6,157,622	6,640,249	6,628,870	(11,379)

***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 FY2014 the preliminary cherry sheet estimate is \$211,961, a decrease of \$11,379. The decrease reflects a decrease in the number of veterans receiving some form of government assistance.

POLICE CAREER INCENTIVE REIMBURSEMENT (QUINN BILL)

In FY2010 this reimbursement program was all but eliminated. Arlington's reimbursement dropped from \$320,199 to \$49,006. In FY2012 funding was eliminated and no funding is expected for FY2014.

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

Proposed total statewide funding in FY14, exclusive of regional schools, is \$4.4 billion, an increase of \$226 million, or 5.4%. Of this amount, it is estimated that Arlington will receive \$9,583,972, an increase of \$1,474,476, or 18.1%. 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, property wealth, and municipal contributions to the school budget. 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 109 communities that fall within this category. Communities that are less affluent receive significantly more than the 17.5% minimum. The Town has historically charged for half day and full day kindergarten. In FY2013, the Town decided to eliminate kindergarten fees resulting in an increase in total enrollment which projected to result in an increase in Chapter 70 funding. The Town projected an increase of approximately \$1.4 million in Chapter 70 funding as a result of eliminating Kindergarten fees, which has contributed to the unusually large increase of \$1,474,476 to Arlington in FY14.

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 \$65,458, an increase of \$14,442.

ARRA FUNDS - American Recovery and Reinvestment Act

Over the course of FY2010 and FY2011, the state utilized ARRA funding to supplement education funding on the local level. This took the form of Federal Stimulus IDEA funds, as well as State Fiscal Stabilization Funds. While the Town received \$1,081,232 in FY2010, in FY2011, Arlington received \$129,741 in State Fiscal Stabilization funds, as well as \$359,964 in IDEA funds, for a total of only \$489,705. Following FY2011, this funding was no longer available.

SCHOOL AID	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Chapter 70 School Aid	6,632,057	6,880,580	8,109,496	9,583,972	1,474,476
Charter School Tuition Reimbursement	31,700	131,980	51,016	65,458	14,442
Federal Stimulus Funds (IDEA)	489,705	-	-	-	-
Total	7,153,462	7,012,560	8,160,512	9,649,430	1,488,918



SCHOOL CONSTRUCTION AID

In July of 2004, the Governor signed Chapter 208 and Chapter 210 of the Acts of 2004 into law, which make 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), operating 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 amounted to \$655 million in 2011. Funding is no longer subject to an annual appropriation from the Legislature and approval of the Governor, allowing MSBA to reimburse districts within 15 days of submitting a request for payment. This streamlined process save local communities millions in avoided interest costs and provides greater cash flow if needed.

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 (54% of this liability has been retired), and \$5.5 million for 428 projects on a wait list (88% of this liability has been retired). The remaining limited resources are being used to fund new projects. MSBA is projecting to spend \$2.5 billion through 2015 for new projects. Reimbursement rates are based on community factors and incentive points and range from 31% to 80% of approved eligible project costs.

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 was approved. Construction on a new Thompson School is underway and is expected to be completed for the start of the school year in 2013. Under the MSBA's Green Repair Program, the Town received a grant of approximately \$700,000 as reimbursement for the \$2.6 million the Town has spent on renovations and improvements to Stratton School.

The school construction aid the Town currently receives is for projects completed under the old SBA program. The amount is expected to decrease to \$2,474,773, due to bond refinancing. The projects and their funding are as follows:

Peirce	\$ 476,522
Ottoson	858,859
Brackett	347,518
Bishop	322,764
Hardy	469,110
Total	\$2,474,773

SCHOOL AID	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
School Construction Aid	2,531,085	2,531,085	2,474,796	2,474,773	(23)



TAX EXEMPTION AID

There are several categories of property tax exemptions for which the State provides a partial reimbursement to municipalities. For FY2014, the state has reduced its funding so Arlington's reimbursements are expected to decrease \$11,100 to a total of \$167,052. 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	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Tax Exemption Aid	190,609	188,476	178,152	167,052	(11,100)



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 \$210 to a total of \$18,819. The library grant is expected to decrease slightly to \$41,747.

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

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

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

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

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

CHERRY SHEET OFFSETS	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Lunch Programs (Schools)	16,604	19,545	19,029	18,819	(210)
Libraries	41,943	42,540	42,109	41,747	(362)
Total	58,547	62,085	61,138	60,566	(572)

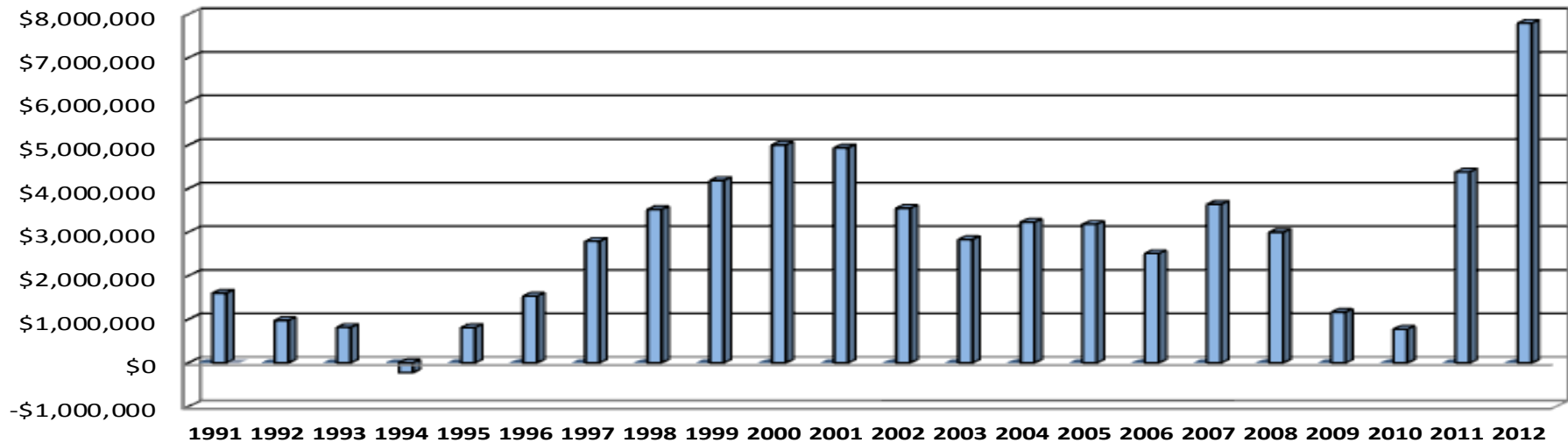


FREE CASH

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 Town's free cash balance as of June 30, 2012 was \$7,793,055, \$970,000 of which was appropriated at the Fall Special Town Meeting for the purposes of offsetting the cost of eliminating Kindergarten fees. The remaining balance is \$6,823,055. In accordance with Town bylaw, Arlington can appropriate up to 50% of the free cash balance towards the next fiscal year's budget. It is recommended that \$3,411,528, or 50% of the existing balance, be appropriated towards the FY2014 budget leaving a balance of \$3,411,528.

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



FREE CASH	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Free Cash Appropriated	582,051	481,456	1,570,000	3,411,528	1,841,528



OTHER REVENUE

The Other Revenue category includes Tax Abatement Overlay Reserve Surplus Funds and Override Stabilization Funds. In FY2014, the only amount available is \$100,000 from the Tax Abatement Overlay Reserve Surplus Funds. No funds will be withdrawn from the Override Stabilization Fund.

Overlay Surplus

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. Currently, the prior year available amount for appropriation is \$100,000.

Override Stabilization Fund

The Override Stabilization Fund was created as a result of the 2005 Proposition 2 ½ 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 or withdrawn. The remaining balance in the fund, which was \$1,580,000, was appropriated in FY2011, the sixth year. With the Override of 2011, \$3,401,602 was put into the Fund. Additional funds were appropriated into the Fund in FY2014. It is expected that no drawdown will be necessary until at least FY2016.

OTHER REVENUE	FY2011 Actual	FY2012 Actual	FY2013 Budget	FY2014 Budget	Budget Change
Overlay Surplus	500,000	200,000	200,000	100,000	(100,000)
Override Stabilization Fund	1,580,000		-	-	-
Total	2,080,000	200,000	200,000	100,000	(100,000)



SECTION III

BUDGET SUMMARIES



Overall Budget Summary

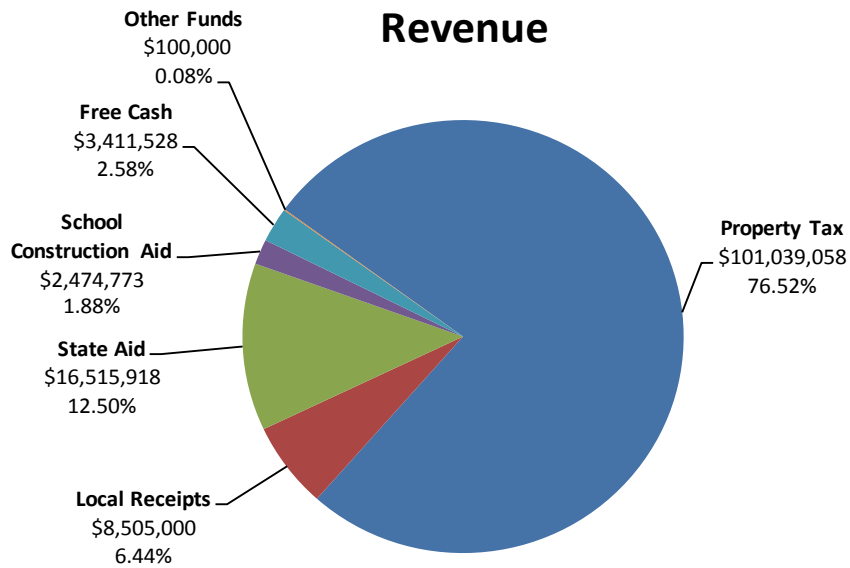
			Change	
	FY2013	FY2014	\$	%
Revenue				
Property Tax	\$ 98,009,381	\$ 101,039,058	\$ 3,029,677	3.1%
Local Receipts	\$ 8,455,000	\$ 8,505,000	\$ 50,000	0.6%
State Aid	\$ 15,040,051	\$ 16,505,918	\$ 1,465,867	9.7%
School Construction Aid	\$ 2,474,796	\$ 2,474,773	\$ (23)	0.0%
Free Cash	\$ 1,570,000	\$ 3,411,528	\$ 1,841,528	117.3%
Other Funds	\$ 200,000	\$ 100,000	\$ (100,000)	-50.0%
TOTAL REVENUES	\$ 125,749,228	\$ 132,036,277	\$ 6,287,049	5.0%
Expenditures				
Municipal Departments	\$ 30,057,059	\$ 31,060,702	\$ 1,003,643	3.3%
School Department	\$ 45,612,598	\$ 47,675,113	\$ 2,062,515	4.5%
Minuteman School	\$ 3,022,146	\$ 3,336,935	\$ 314,789	10.4%
Non-Departmental (Healthcare & Pensions)	\$ 22,815,979	\$ 22,899,397	\$ 83,418	0.4%
Capital (Includes Debt Service)	\$ 9,343,820	\$ 9,831,310	\$ 487,490	5.2%
MWRA Debt Shift	\$ 5,593,112	\$ 5,593,112	\$ 0	0.0%
Warrant Articles	\$ 794,269	\$ 1,049,213	\$ 254,945	32.1%
Override Stabilization Fund Deposit	\$ 3,879,357	\$ 6,157,085	\$ 2,277,728	58.7%
TOTAL EXPENDITURES	\$ 121,118,340	\$ 127,602,868	\$ 6,484,528	5.4%
Non-Appropriated Expenses	\$ 4,630,888	\$ 4,433,409	\$ (197,479)	-4.3%
Surplus / (Deficit)	\$ 0	\$ 0	\$ 0	0.0%



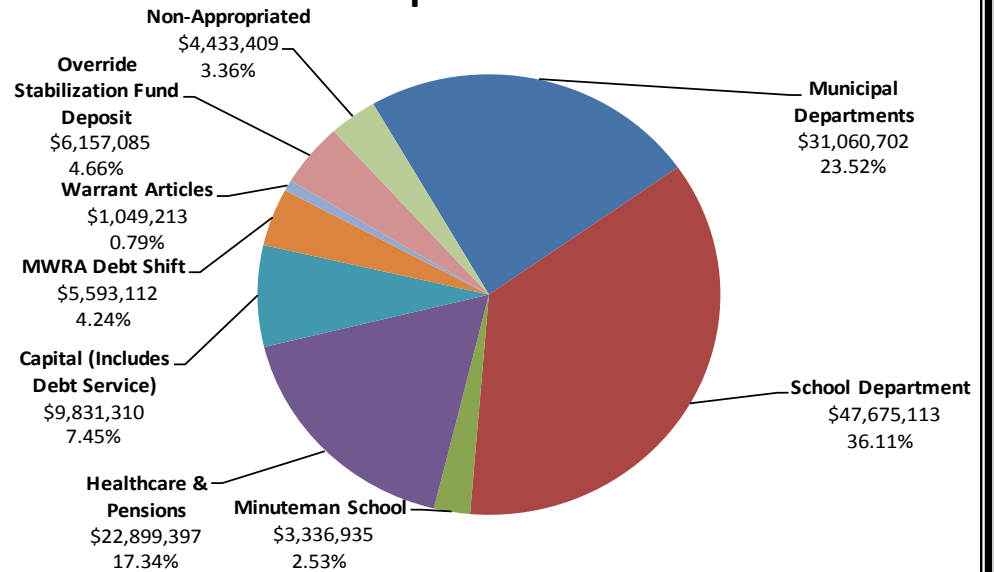
Fiscal Year 2014

Total \$132,036,277

Revenue



Expenditures



Fiscal Year 2013 Budget



Budget Summaries Comparison FY 2013- 2014

DEPARTMENT	Fiscal Year 2013				Fiscal Year 2014					
	PERSONNEL SERVICES	EXPENSES	Enterprise Fund or other offsets	General Fund Total	PERSONNEL SERVICES	EXPENSES	Enterprise Fund or other offsets	General Fund Total	Dollar Difference	Percent Difference
FIN COM	8,979	2,500		11,479	9,156	2,500		11,656	177	1.54%
SELECTMEN	273,612	142,310	(21,432)	394,490	262,090	128,535	(24,143)	366,482	(28,008)	-7.10%
TOWN MANAGER	507,201	33,500	(97,604)	443,097	541,963	33,500	(100,503)	474,960	31,863	7.19%
HUMAN RESOURCES	237,114	36,450	(14,337)	259,227	244,881	36,450	(12,870)	268,461	9,234	3.56%
COMPTROLLER	351,583	107,525	(36,770)	422,338	342,757	107,375	(37,540)	412,592	(9,746)	-2.31%
TREASURER	571,105	111,375	(69,673)	612,807	591,025	130,375	(72,345)	649,055	36,248	5.92%
POSTAGE	30,453	174,523	(32,792)	172,184	31,279	174,523	(35,292)	170,510	(1,674)	-0.97%
ASSESSORS	239,265	26,400		265,665	246,761	26,700		273,461	7,796	2.93%
INFO TECH	499,033	177,660	(115,263)	561,430	605,715	183,349	(119,921)	669,143	107,713	19.19%
LEGAL	398,830	138,350	(97,861)	439,319	415,777	138,350	(100,781)	453,346	14,027	3.19%
TOWN CLERK	216,771	27,600		244,371	225,559	27,600		253,159	8,788	3.60%
REGISTRARS	40,581	13,550		54,131	42,590	13,350		55,940	1,809	3.34%
PARKING	82,415	28,935		111,350	83,978	28,935		112,913	1,563	1.40%
PLANNING & C. D.	379,432	16,200	(28,929)	366,703	367,493	16,200	(30,325)	353,368	(13,335)	-3.64%
REDEVELOPMENT	58,312	231,310	(25,657)	263,965	59,818	231,310	(27,259)	263,869	(96)	-0.04%
ZBA	13,981	4,100		18,081	17,130	4,100		21,230	3,149	17.42%
PUBLIC WKS	3,555,227	5,575,516	(1,559,613)	7,571,130	3,660,829	5,513,400	(1,098,821)	8,075,408	504,278	6.66%
COMSAFTY ADM	418,533	-		418,533	-	-		-	(418,533)	-100.00%
POLICE	5,651,822	576,900	-	6,228,722	6,599,872	599,450	-	7,199,322	970,600	15.58%
FIRE	5,597,403	393,051	(131,415)	5,859,039	6,160,311	400,550	(131,415)	6,429,446	570,407	9.74%
SUPPORT	733,071	23,900		756,971	-	-		-	(756,971)	-100.00%
INSPECTIONS	418,610	12,000		430,610	391,096	12,000		403,096	(27,514)	-6.39%
STREET LIGHTS		316,700		316,700		253,700		253,700	(63,000)	-19.89%
LIBRARIES	1,498,246	588,680		2,086,926	1,516,656	596,380		2,113,036	26,110	1.25%
HUMAN SERVICES				-				-	-	
Council on Aging	188,212	4,940		193,152	181,935	4,940		186,875	(6,277)	-3.25%
Veterans' Services	62,164	279,339		341,503	63,874	278,539		342,413	910	0.27%
Health & Human Serv.	295,781	24,990		320,771	312,771	25,490		338,261	17,490	5.45%
Youth Services		120,000		120,000		120,000	-	120,000	-	0.00%
RESERVE FUND		670,000		670,000		670,000		670,000	-	0.00%
COA Trans. Subsidy		30,000		30,000		30,000		30,000		
Collective Bargaining	72,363			72,365	89,000			89,000	16,635	
MUNICIPAL DEPTS.	22,400,099	9,888,304	(2,231,346)	30,057,059	23,064,316	9,787,601	(1,791,215)	31,060,702	1,003,643	3.34%
EDUCATION	45,612,598			45,612,598	47,675,113			47,675,113	2,062,515	4.52%
N.C. Pensions		107,123		107,123		107,123		107,123	-	0.00%
C. Pensions		8,504,185	(900,542)	7,603,643		9,008,899	(955,990)	8,052,909	449,266	5.91%
Insurance		15,909,580	(804,366)	15,105,214		15,780,358	(1,040,992)	14,739,366	(365,848)	-2.42%
GRAND TOTAL	68,012,697	34,409,192	(3,936,254)	98,485,637	70,739,429	34,683,981	(3,788,197)	101,635,213	3,149,576	3.20%



SUMMARY OF 2014 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Finance Committee	\$ 177 1.54%	\$ 177 Personnel Fixed Costs
Selectmen	\$ (28,008) -7.10%	\$ 3,014 Personnel Fixed Costs \$ (31,022) Decrease in Elections
Town Manager	\$ 31,863 7.19%	\$ 9,762 Personnel Fixed Costs \$ 25,000 Consolidation of Part Time Bldg Mgmt. Position into Town Manager's Budget \$ (2,899) Increased W/S Offset
Human Resources	\$ 9,234 3.56%	\$ 7,767 Personnel Fixed Costs \$ 1,467 Decreased W/S Offset
Comptroller	\$ (9,746) -2.31%	\$ (8,826) Personnel Fixed Costs - Part Time position moved to IT Department's Budget \$ (770) Increased W/S Offset \$ (150) Clothing Allowance
Treasurer-Collector	\$ 36,248 5.92%	\$ 19,919 Personnel Fixed Costs \$ (2,671) Increase in W/S Offset \$ 1,000 Advertising \$ 7,000 Banking Services & Charges \$ 11,000 Tax Takings Expense
Postage	\$ (1,674) -0.97%	\$ 826 Personnel Fixed Costs \$ (2,500) Increased W/S Offset
Board of Assessors	\$ 7,796 2.93%	\$ 7,496 Personnel Fixed Costs \$ 300 Cleaning Allowance
Information Technology	\$ 107,713 19.19%	\$ 16,080 Personnel Fixed Costs \$ 25,325 Part Time position from Comptroller's Office \$ 65,277 Creation of Systems Analyst Position \$ (4,658) Increased W/S Offset \$ 3,000 Computer Maintenance \$ 150 Cleaning Allowance \$ (7) In-State Travel \$ (5,000) Maintenance & Supplies \$ 7,546 Munis Software Support



SUMMARY OF 2014 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Legal	\$ 14,027 3.19%	\$ 16,947 Personnel Fixed Costs \$ (2,920) Increased W/S Offset
Town Clerk	\$ 8,788 3.60%	\$ 8,658 Personnel Fixed Costs
Registrars	\$ 1,809 3.34%	\$ 2,009 Personnel Fixed Costs \$ (200) Clothing Allowance
Parking	\$ 1,563 1.40%	\$ 1,563 Personnel Fixed Costs
Planning & Comm. Development	\$ (13,335) -3.64%	\$ 9,447 Personnel Fixed Costs \$ (21,386) Moved Part Time position to Town Manager's Office \$ (1,396) Increased Central School Offset
Redevelopment Board	\$ (96) -0.04%	\$ 1,506 Personnel Fixed Costs \$ (1,602) Increased Central School Offset
Zoning Board of Appeals	\$ 3,149 17.42%	\$ 3,149 Personnel Fixed Costs
Public Works	\$ 504,278 6.66%	\$ 105,602 Personnel Fixed Costs \$ 47,247 Decreased W/S Offsets (Substantial decrease in Highway Offset - \$69,877) \$ 25,410 Elimination of Recycling Offset \$ (11,865) Energy Manager Offset \$ 40,000 Tree Planting \$ 12,000 MER Maintenance \$ 4,700 General Supplies \$ 54,584 Highway Supplies \$ 163,000 Solid Waste (33,000 Collection, 130,000 Yard Waste Disposal) \$ 104,000 Waste Disposal - Increase a result of \$236 reduction in Tip Fee Stab. Actual savings from increased recycling is \$132K \$ (400) Clothing Allowance \$ (10,000) Properties Electricity \$ (30,000) Highway Fuel
Street Lighting	\$ (63,000) -19.89%	\$ (10,000) Reduction in Fire Alarm System Maintenance Cost \$ (53,000) Reduction in Electricity and Maint. Costs for Streetlights due to LED install



SUMMARY OF 2014 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Police	\$ 970,600 15.58%	\$ 163,843 Personnel Fixed Costs \$ 276,396 Integration of Community Safety Administration Budget \$ 507,811 Integration of Community Safety Support Budget \$ 6,000 Maintenance \$ (15,000) Fuel \$ 4,100 Training \$ 8,500 Dues/Subscriptions (Software Licensing) \$ 9,100 Clothing Allowance (Protective Vests & Allowances from CS Support & Admin) \$ 10,750 Radio Maintenance \$ 1,500 Aux. Support Services \$ 5,000 Idemnity Police Officers \$ (7,500) Police Accreditation Program \$ 100 Electricity
Fire	\$ 570,407 9.74%	\$ 254,186 Personnel Fixed Costs \$ 183,872 Integration of Community Safety Administration Budget \$ 124,850 Integration of Community Safety Support Budget \$ 1,000 Computer Maintenance \$ (7,851) Fuel \$ 4,000 Supplies \$ 1,000 Maintenance of Vehicles \$ 3,750 Radio Maintenance \$ 1,200 Miscellaneous Expenses \$ 4,400 Clothing Allowance (Allowances from CS Support & Admin)
Inspectional Services	\$ (27,514) -6.39%	\$ 12,486 Personnel Fixed Costs \$ (40,000) Symmes Project Inspection Costs
Libraries	\$ 26,110 1.25%	\$ 18,410 Personnel Fixed Costs \$ 1,500 Buliding Maintenance \$ 6,200 Miscellaneous Expenses
Health and Human Services	\$ 17,490 5.45%	\$ 14,490 Personnel Fixed Costs \$ 2,500 Overtime \$ 200 In-State Travel \$ (1,000) Dues/Subscriptions \$ 300 Miscellaneous Expenses \$ 1,100 Consultation & Training \$ (100) Cleaning Allowance
Veterans' Services	\$ 910 0.27%	\$ 1,710 Personnel Fixed Costs \$ 1,100 Training & Supplies \$ (900) Miscellaneous Expenses \$ (1,000) Veterans Aid & Assistance
Council on Aging	\$ (6,277) -3.25%	\$ (6,277) Personnel Fixed Costs

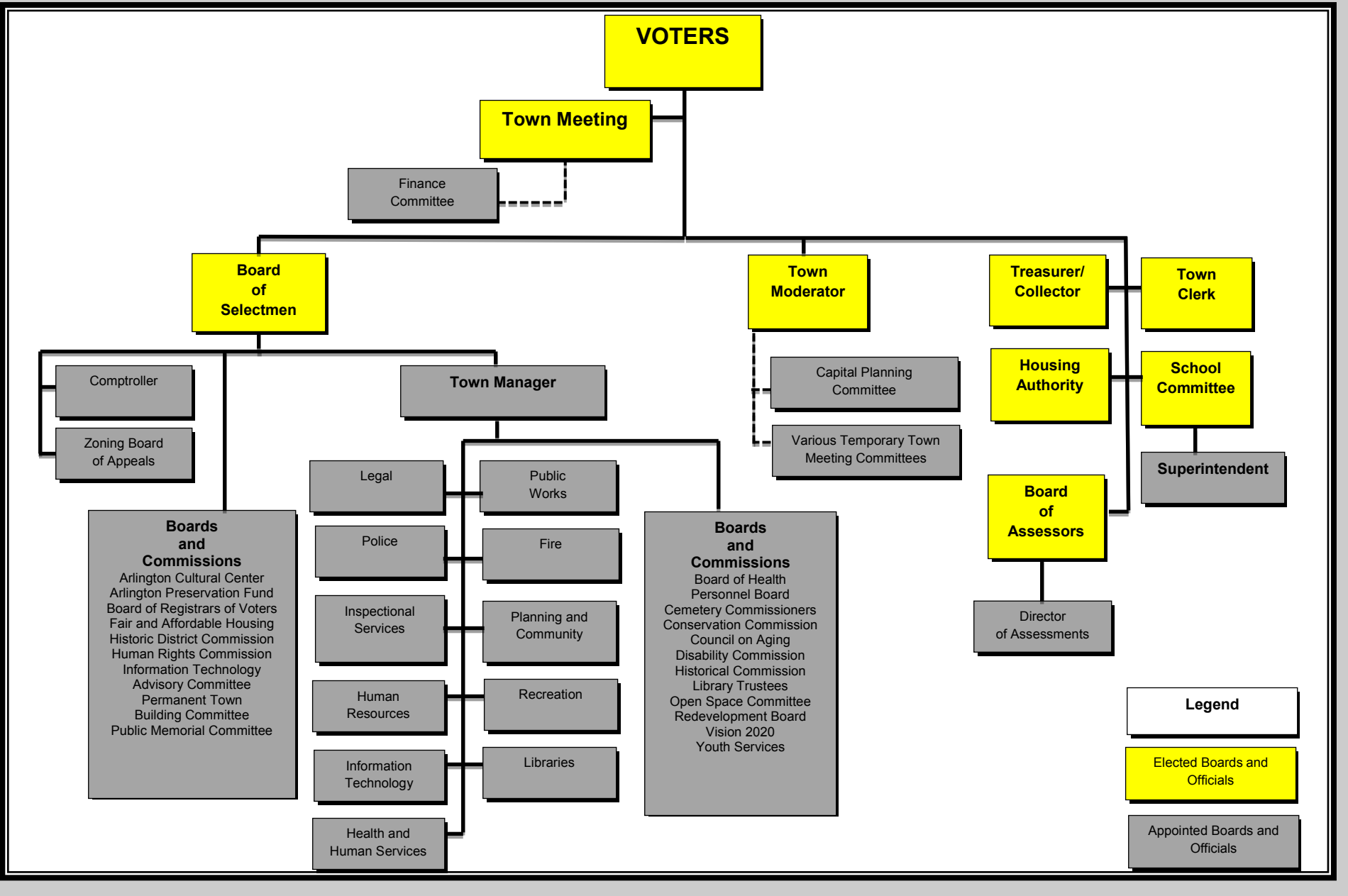


SUMMARY OF 2014 INCREASES/DECREASES		
DEPARTMENT	INCREASE / (DECREASE)	EXPLANATION
Youth Services	0.0%	
Collective Bargaining	\$ 16,635 22.99%	
Reserve Fund	\$0 0%	
Subtotal: Municipal Departments	1,003,643 3.34%	
Non-Contributory Retirement	\$ - 0%	
Contributory Retirement	\$ 449,266 5.91%	
Group Health Ins./ Life Ins./Medicare	\$ (365,849) -2.59%	
Liability Insurance	0%	
Unemployment Compensation	\$ - 0%	
Workers' Compensation	\$ - 0%	
Subtotal: Fixed Costs	\$ 83,417 0.4%	
Total: Education	\$ 2,062,515 4.5%	
Grand Total	\$ 3,149,575 3.10%	



Personnel Changes FY 2003 - FY 2014

Department	FY03		FY04		FY05		FY06		FY07		FY08		FY09		FY10		FY11		FY12		FY13		FY14		FY 13-14 FTE Change		FY 03-14 FTE Change	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT				
Finance Committee	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0	0.20	0.00	0.20	0.00	0%	0	0%
Board of Selectmen	3	0.18	3	0.18	3	0.18	3	0.18	3	0.25	3	0.25	3	0.50	3	0.50	3	0.50	3	0.50	3.00	0.50	0.00	0%	0	10%		
Town Manager (Purchasing)	5	0.00	5	0.00	4	0.50	4	0.50	4	1.00	4	1.00	4	1.00	4	0.98	4	1.20	5.00	0.69	0.49	9%	1	14%				
Human Resources	3	0.00	3	0.00	3	0.00	3	0.00	3	0.00	4	0.00	4	0.00	3	0.54	3	0.00	3	1.00	3	0.54	3.00	0.54	0.00	0%	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	5	1.00	5	1.00	7.00	0.50	1.50	25%	1	15%
Comptroller	7	2.06	6	1.70	5	1.70	5	1.10	5	1.10	4	1.80	4	1.80	4	1.80	4	1.80	4	1.80	4.00	1.30	-0.50	-9%	-4	-42%		
Treasurer/Collector	10	1.26	10	1.26	10	1.26	10	1.26	8	2.10	8	2.10	8	2.10	9	0.86	9	0.86	9	0.86	9	0.86	9.00	0.86	0.00	0%	-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	0.70	0	0.70	0.00	0.70	0.00	0%	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	4	0.46	4	0.00	4.00	0.00	0.00	0%	-1	-20%
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	0.54	4	0.54	4.00	0.54	0.00	0%	0	0%		
Town Clerk	4	0.52	4	0.52	4	0.45	4	0.45	4	0.45	4	0.45	4	0.45	4	0.45	4	0.00	4	0.23	4.00	0.23	0.00	0%	0	-6%		
Parking	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1	0.00	1.00	0.00	0.00	0%	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	1	0.00	1.00	0.00	0.00	0%	0	0%		
Planning & Comm Development	5	0.34	5	0.34	5	0.46	5	0.46	4	0.95	4	0.95	4	0.95	4	0.95	4	0.75	5	1.32	5	1.32	5.00	0.83	-0.49	-8%	0	9%
Redevelopment Board	1	0.00	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0	0.50	0.00	0.50	0.00	0.00	0%	-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	0.46	0	0.46	0.00	0.46	0.00	0.46	0%	0	-8%	
Public Works	84	2.00	75	1.00	71	0.62	71	0.62	71	0.62	71	0.62	65	0.62	65	0.62	62	0.62	60	1.13	59	1.63	59.00	1.81	0.18	0%	-25	-29%
Admin	9	0.00	8	0.00	7	0.00	7	0.00	7	0.00	7	0.00	7	0.00	7	0.00	7	0.00	6	0.50	6	1.00	6.00	1.18	0.18	3%	-2	-20%
Engineering	6	0.25	4	1.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	4	0.00	4.00	0.00	0.00	0%	-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	19	0.00	17	0.00	18	0.00	18	0.00	18.00	0.00	0.00	0%	-4	-18%
Highways	35	0.00	33	0.00	30	0.00	30	0.00	30	0.00	30	0.00	30	0.00	30	0.00	29	0.00	29	0.00	28	0.00	28.00	0.00	0.00	0%	-7	-20%
Cemeteries	12	0.00	11	0.00	10	0.62	10	0.62	10	0.62	10	0.62	5	0.62	5	0.62	5	0.62	3	0.63	3	0.63	3.00	0.63	0.00	0%	-8	-70%
Community Safety -- Admin	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	0.00	0.00	-5.00	-5.00	-100%	-5	-100%	
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	65	0.00	65	0.00	82.00	2.67	19.67	30%	17	25%
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	1	3.51	4	1.81	0.00	0.00	-5.81	-5.81	-100%	-5	-100%	
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	76	0.00	76	0.00	79.00	0.00	3.00	4%	-6	-7%
Support	15	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	12	0.00	0.00	0.00	-12.00	-12.00	-100%	-15	-100%	
Inspections	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5	0.00	5.00	0.00	0.00	0%	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	20	11.30	20	11.30	20.00	11.30	0.00	0%	-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	3.40	5	3.40	5	3.25	5.00	3.25	0.00	0%	-2	-22%
Enterprise Funds																												
Water & Sewer	17	1.00	16	0.00	15	0.00	16	0.00	16	0.00	16	0.00	16	0.00	16	0.50	16.00	0.50	16.00	0.50	16.00	0.50	16.00	0.50	0.00	0%	-2	-8%
Arlington Recreation	4	0.00	4	0.00	5	0.00	5	0.00	2	2.30	2	1.25	2	1.25	1	2.25	1	2.25	2.00	1.02	1.00	1.02	1.00	1.12	0.10	5%	-2	-47%
Ed Burns Arena	2	0.00	2	0.00	2	0.00	2	0.00	2	1.70	1	1.75	1	1.75	1	2.00	1	2.00	2.00	1.12	2.00	1.12	2.00	1.12	0.00	0%	1	56%
Council on Aging Trans.	1	0.69	1	0.69	1	1.26	1	1.26	1	1.30	1	1.30	1	0.55	1	0.55	1	0.10	1.00	0.54	1.00	0.54	1.00	0.54	0.00	0%	0	-9%
Youth Services	3	2.05	0	3.09	0	3.56	0	3.93	3	5.75	3	5.75	3	4.17	1	2.47	0	1.47	2.00	1.48	2.00	1.48	2.00	1.48	0.00	0%	-2	-31%
Total	378	29.42	339	27.17	334	26.89	335	29.65	332	37.57	329	37.64	324	36.05	321	34.61	314	33.82	319	34.47	320	32.50	322.00	31.64	1	0%	-54	-13%





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SECTION IV

BUDGETS

GENERAL GOVERNMENT



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

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

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



Program Description

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

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

FY2014 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.

Major Accomplishments for 2012

- Worked with Town officials on future financial planning.
- Attended and participated in Financial Planning Summits presented by the Board of Selectmen.

Budget Statement

The Finance Committee has requested a level service budget for FY2014, showing only a \$177 increase for associated personnel services.

PROGRAM COSTS

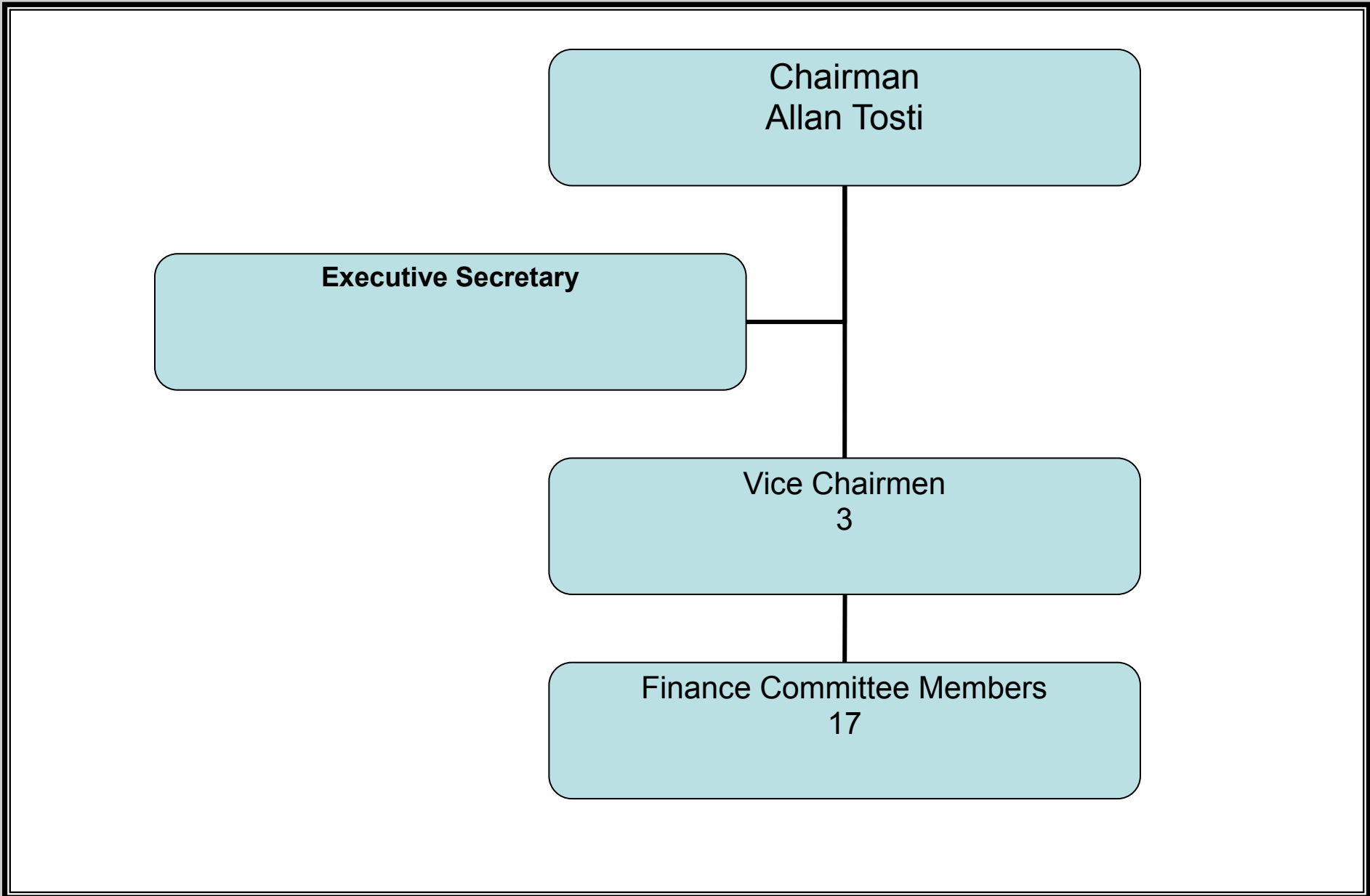
	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Finance Committee				
Personnel Services	7,980	8,979	9,156	
Expenses	1,866	2,500	2,500	
Total	9,846	11,479	11,656	-

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Reserve Fund				
Personnel Services				
Expenses		670,000	670,000	
Total	-	670,000	670,000	

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Finance Committee				
Managerial				
Clerical	1PT	1PT	1PT	
Professional/Technical				
Total	1PT	1PT	1PT	





Program Description

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

- Provide administrative support to the Board of Selectmen.
- Serve as initial contact for the Selectmen to the public, providing general information and assistance.
- Provide service as initial contact for the public regarding complaints, issues, and other business matters.
- Process and issue various licenses and permits granted by BOS.
- Process and issue all ABCC state alcohol licenses.
- Provide administrative assistance for private way repair.
- Preparation of weekly distribution of Board Information.
- Preparation and follow up for Selectmen Meetings.
- Preparation and distribution of all election and town meeting warrants.
- Staffing and maintenance of all polling locations.
- Provide administrative support and information for Town Day Committee.
- Provide administrative support for exceptions to overnight parking ban.
- Preparation and 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

Budget Statement

The Board of Selectmen’s Office will continue to work with the Town Manager and all other Town Departments and Officials to maintain the budget. For the foreseeable future, the budget will fluctuate subject to the number of elections, and Special Town Meetings in any given year, pay increases and items that are subject to inflation. As Arlington continues to thrive as a popular place for restaurants we expect that revenues from related permits will be maintained.

FY2014 Objectives

- Engage citizens through public forums, citizen surveys, website information, and other means.
- Work with the Redevelopment Board to develop strategies for commercial revitalization.
- 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 TAC to develop transportation strategies and action plans including parking, traffic calming, and school safety.
- 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.
- Continue to work with the IT Department and GIS Coordinator to implement and use new technologies.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Board of Selectmen				
Personnel Services	188,939	200,453	203,467	
Expenses	18,912	20,600	20,600	
Audit	53,966	55,000	55,000	
Annual Report	930	3,500	3,500	
Total	262,747	279,553	282,567	-

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Board of Selectmen				
Managerial	1	1	1	
Clerical	2.5	2.5	2.5	
Professional/Technical				
Total	3.5	3.5	3.5	



Major Accomplishments for 2012

- Authored a warrant article to 2012 Special Town Meeting to organize a committee that will modify the complete ban and impose some level of restrictions on leaf blower use to be brought to Special Town meeting in April 2013. In 2012 there were a Special Town Meeting and Special Election also dealing with Leaf Blowers.
- The Board voted new hackney/taxi licensing regulations - Rules and Orders for the Licensing and Operation of Hackney Carriages and Vehicles for Hire. Along with these regulation updates fares were also voted an increase. Additionally, the Selectmen approved Arlington's first Theatre License for the sale of wine and malt to the Capitol Theatre.
- The Board approved the issuing of two additional All Alcohol package Stores.
- Authorized the Town Manager to close the sale of the Crosby School purchase.
- The Board of Selectmen began meeting and discussing the Town Hall 100th Anniversary celebration for summer of 2013.
- Supported the efforts of the Planning Department on a comprehensive municipal master plan to be developed in Arlington to serve as the Town's primary policy statement on future physical development in Arlington.
- Worked with the Transportation Advisory Committee towards safer travel routes (cars, pedestrians, and bikes) in Town i.e. Robbins Library area no left turns and other significant changes to traffic and parking.
- Established Selectmen goals in coordination with Town Manager goals.
- The Board of Selectmen along with the Arlington Housing Authority appointed Bridget Garballey to fill the vacancy created by the resignation of Terri Walsh.
- The Selectmen said goodbye to Town Manager Brian Sullivan and appointed a new Town Manager Adam Chapdelaine. Town Manager Sullivan was appointed in 2004 and worked tirelessly for eight years for the Town of Arlington-all wish him well in retirement! Town Manager Chapdelaine was Deputy Town Manager to Mr. Sullivan and brings to the Town a fresh new energy-all wish him well in his promotion to Manager!

SUB PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Elections				
Personnel Services	20,693	51,727	34,480	
Expenses	49,498	63,210	49,435	
Total	70,191	114,937	83,915	-

Performance / Workload Indicators

<i>Board of Selectmen</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Meetings Preparations:				
Town Meeting Preparations	9	8	8	8
Special Town Meeting Preparations	2	3	2	2
Selectmen Meeting Preparations	30	28	30	30
Audit Advisory Meeting Preparations	2	1	2	2
Budget & Revenue Task Force	4	1	4	4
Special Town Election	-	1	-	-
Joint BOS/Arl. Housing Authority	-	1	1	1
BOS Goal Setting	-	2	2	2



Board of Selectmen
Kevin Greeley, Chairman
Daniel Dunn, Vice-Chairman
Diane Mahon
Steven M. Byrne
Joseph A. Curro, Jr.

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, Assessors, Town Clerk, Board of Selectmen, and Comptroller Departments.

The Town Manager is responsible for the direct management and supervision of Public Works, Police, Fire, Health and Human Services, Inspectional Services, Libraries, Planning and Community Development, Legal/Workers' Compensation, and Human Resources. 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 proprieties (including schools), legislative initiatives, policy recommendations to the Board of Selectmen, 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 the 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 increase by \$31,863 due to adjustments to the pay and classification plan as well as the consolidation of a part time position from the Planning & Community Development Department with a part time position in the Town Manager's Office. The funding impact of the consolidation represents \$25,000 of the total increase.

FY 2014 Objectives

- Aggressively pursue opportunities to implement new technologies to enhance productivity throughout all departments and improve service delivery to residents.
- Continue to evaluate current methods of delivering various services to ensure that the most productive, cost efficient method is used.
- Continue to work with Boards & Committees and Town Officials in researching and developing opportunities to reduce the Town's structural deficit in preparation for future multi-year financial plans.
- Work with the Collins Center for Public Management at UMass Boston to development the framework for a comprehensive performance management program.
- Continue to investigate regionalization initiatives that provide both financial incentives and service delivery improvement to Arlington residents.
- Work with the Information Technology Director and Town departments to develop and release a three-year IT Strategic Plan.
- Work with Board of Selectmen representative, school department, and union leadership to complete comprehensive salary and compensation study.

(Continued on next page)

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Town Manager				
Personnel Services	445,172	409,597	441,460	
Expenses	29,928	33,500	33,500	
Total	475,099	443,097	474,960	-

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Town Manager				
Managerial	2	2	2	
Clerical	1	1	1	
Professional/Technical	2	2.2	2.7	
Total	5	5.2	5.7	



FY 2014 Objectives (continued)

- Investigate the possibility of launching an Arlington Gateway Program with the goal of improving various entrances to the Town.
- Develop and improve financial reporting mechanisms for the Town rental properties.
- Work with the School Department on the final stages and opening of the Thompson School project.
- Continue the acceleration of the street improvement program utilizing the funds designated in the Override for street improvements.
- Work with the Board of Selectmen, Redevelopment Board, and Planning and Community Development Department to further the development of a comprehensive commercial revitalization plan which is to include a comprehensive commercial district parking strategy.
- Work with various Boards and Committees to further economic development and tourism strategies.
- Work with Mass DOT and other interested parties to complete improvements to Mass Ave. corridor.
- Work with the ARB to oversee the final construction of the Symmes project.
- Continue to work with the Board of Selectmen, Redevelopment Board, and Planning and Community Development Department in advancing the Master Planning Process.
- Continue work with the Energy Manager and Energy Working Group, leveraging Arlington's designation as a Green Community, to improve the Town's energy efficiency. Through this goal, continue to explore possibilities for renewable energy production on town buildings and town property while maintaining the energy conservation revolving fund in order to provide a sustainable funding source for energy conservation projects.
- Work with newly created Facility Maintenance Committee on maintenance budgeting for the Town owned buildings.
- Continue to closely monitor and identify the potential impacts of a future building projects at Arlington High School and Minuteman Regional High School.

Major Accomplishments for 2012

- Continued to work with the Board of Selectmen and other Town officials to update and monitor the existing multi-year financial plan.
- Developed an indirect cost agreement between the Town and School Department.
- Held several meetings with legislators and representatives of Governor Patrick's Office to discuss a more equitable distribution of state resources.
- Worked with the Local Emergency Planning Committee to perform a review of the Town's response to July 2012 microburst and Hurricane Sandy. The review led to the Board of Selectmen's adoption of an Emergency Management Communications Protocol and resulted in a meeting with the utilities to discuss improving communication in future storms.
- Opened the new Dog Park at Thorndike Field.
- Completed Town wide upgrade of Fire Alarm System.
- Implemented a new weekly curbside recycling collection service with reasonable solid waste limits, coupled with strict enforcement of mandatory recycling bylaw.
- Negotiated collective bargaining agreements with all Town unions.
- Continued to work with the Board of Selectmen and other Town officials to update and monitor the existing multi-year financial plan.
- Developed an indirect cost agreement between the Town and School Department.
- Received \$250,000 Green Community Competitive Grant from the Department of Energy Resources to upgrade HVAC systems at Arlington High School and to install variable frequency drives at other school facilities.
- Hosted a forum on regionalization which was attended by representatives from Belmont, Bedford, Burlington, Lexington, and Winchester.
- Kicked off master planning process in cooperation with Director of Planning & Community Development with Community Visioning Session.

(Continued on next page)



Major Accomplishments for 2012 (continued)

- Hired new Deputy Town Manager.
- Hired new Library Director.
- Hired new Council on Aging Director.
- Hired Regional Energy Manager.

Performance / Workload Indicators				
<i>Town Manager</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Purchase Orders Processed	5,200	5,082	5,000	5,000
Bids Processed	40	53	40	40



Program Description

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

The communication channels utilized to meet these objectives are: the Town's website, Town of Arlington Notices (email alerts), and the Arlington Alert System. The Town's website supports the online information and outreach activities of 15 departments, multiple divisions, and over 65 committees. It also hosts the Request/Answer Center, the Town's online customer service center, where residents can Find Answers, Ask a Question, Make a Service Requests, and conveniently track them online. Town of Arlington Notices are email alerts sent by the Town that deliver information on activities including: public health and public works alerts, election information, trash & recycling reminders, and special Town related events. The Arlington Alert System allows the Town to send urgent alerts to residents by phone, text, and email.

Budget Statement

To respond to resident demand for improved usability and added features, plus the need to improve staff efficiency to meet these demands and those of the Open Meeting Law, the Town plans to update the content management system (CMS) that is the engine of the Town's current website (arlingtonma.gov). The new website will allow visitors to more easily find information by improving the site's navigation and provide additional methods to have this information delivered to them. The new CMS will also provide the ability to read the site in multiple languages and more easily on mobile devices. For staff, the new CMS will provide a suite of features that will improve collaboration, simplify document management, and provide consistency across the site, plus automate many redundant tasks. The upgrade will require significant effort from all departments to migrate and learn the new system, however, the benefits of the new system will be realized almost immediately with improved workflow and a visually appealing and easier accessible website. Although we anticipate that efficiency will improve, we also suspect that demand for information will increase. We continue to be vigilant in balancing demand for information and online services with available resources, and will report trends and respond accordingly.

FY2014 Objectives

Updating the Town website will be a major initiative that will impact every department at the close of FY2013 and into FY2014. Over the past few years, the Town has built an extremely valuable relationship with its constituents with content and services they seek. In addition to updating the Town's website, we will continue to support this relationship by:

- Supporting staff in their public communication and online customer support initiatives.
- Providing timely and accurate information to residents.

FY2014 Objectives (cont.)

- Increase subscriptions to Town Notices and Arlington Alerts.
- Increase usage of the Request/Answer Center for both staff and residents.
- Preserve and increase productivity wherever and whenever possible.
- Further develop uses of traditional media to communicate with the public.
- Look for opportunities to integrate GIS capabilities to the Town's Request/Answer Center.



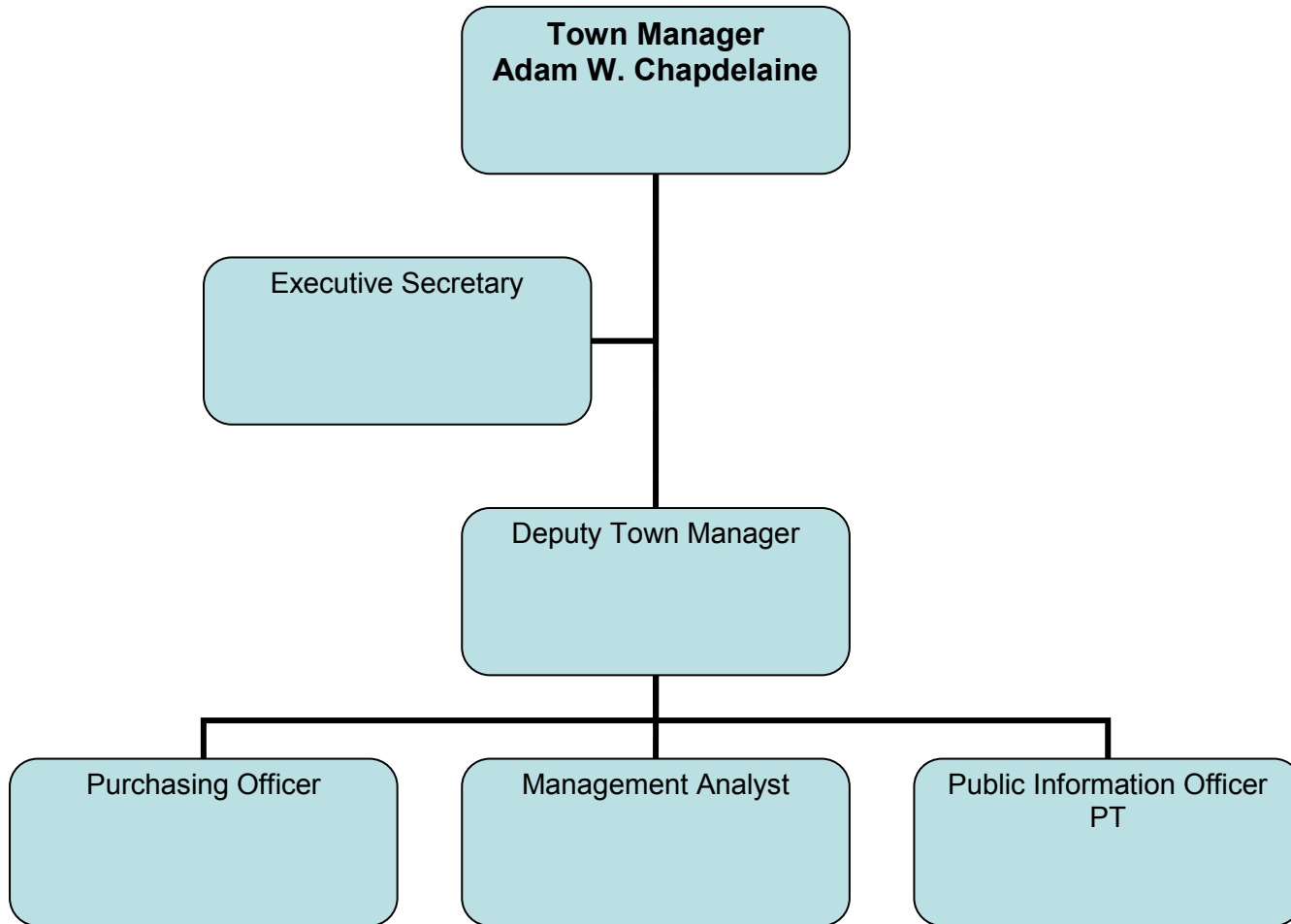
Major Accomplishments for 2012

- Arlington Alert System was implemented in early 2012 and has already proven to be effective in notifying residents. For example, prior and after Hurricane Sandy and informing residents on the new Recycling and Trash regulations. It has also streamlined registrations by providing an online self-serve registration portal, eliminating the need for APD dispatchers to enter this data. Over 1,000 new registrations have been entered since the Town adopted the system.
- Self-service overnight on-street parking waiver requests continue through the Request/Answer Center saving APD dispatchers from manually performing this task by automating 91% of the over 5,000 waiver requests made in calendar year 2012.
- Developed a comprehensive educational campaign with Public Works on the new Recycling and Trash Guidelines, from introduction to Town Meeting to initial enforcement measures in October, utilizing existing communication channels, ACMi, and local media.
- Performed a comprehensive evaluation of current website with all departments with an eye toward updating the site and improving staff efficiency. RFP written and posted. Vendor evaluations to be held in early 2013.
- Assisted in integrating the updated Recreation Registration System with Town website.
- Continued outreach on National League of Cities (NLC) Prescription Drug Card Program (launched Dec. 2009). At end of calendar year 2012, \$147,871 in savings were realized by residents. Arlington leads the state in cumulative savings and is ranked #9 nationally in the program.
- Major campaigns and events supported in 2012 include: July Microburst, Hurricane Sandy, Arlington Master Plan, Solarize Arlington, EPA Porous Pavement Project at Hurd Field, Mass. Ave. Project, Stormwater Series, Sagewell Energy Audits, and Resident Financial Communications Survey.
- Publications: Produced 2011 Annual Report (received 1st place by Massachusetts Municipal Association). Produced 2012-2013 Recycling & Trash Guide mailed to all residents, and assisted in the production of the FY2013 Public Annual Financial Report (PAFR).

Performance / Workload Indicators				
	FY2011 Actual	FY2012 Estimated	FY2013 Estimated	FY2014 Estimated
Public Communications				
Subscribers to Town of Arlington Notices	3,814	4,322	4,800	5,100
% of Growth from previous year	29%	12%	10%	6%
% Compared with # of households (19,000)	20%	23%	25%	27%
Website Traffic (arlingtonma.gov & Request/Answer Center)				
Page Views	1,325,832	1,340,259	1,350,000	1,350,000
Visits	533,732	535,724	525,000	525,000
Unique Visitors	265,480	281,631	275,000	275,000
Visitor Loyalty- # of Uniques Visited Over 200 Times	28,149	18,109	18,000	18,000
**Request/Answer Center: System Stats				
Answers Viewed on Portal	99,789	227,759	110,000	110,000
**Productivity Preserved in Hours/Answers Viewed	8,316	18,980	9,167	9,167
^New Registered Customers in System	2,463	2,819	2,000	2,000
Questions/Requests Created	2,721	3,802	4,000	4,200
Questions/Requests Closed	2,669	3,519	3,700	3,900
% Questions/Requests Remain Open System	12%	9%	8%	8%
**Request/Answer Center: PIO Requests				
Questions/Requests Created	853	879	850	600
Questions/Requests Closed	858	898	850	600
% Questions/Requests Remain Open System	8%	9%	8%	5%

***Productivity Preserved in Hours. Answers Viewed are phone calls not answered by staff. Avg length of call = 5 minutes*

^Duplicate customers ID'd - same customer using multiple emails estimated adjustment is 5-10%





Program Description

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

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

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

Budget Statement

In Fiscal 2013 Human Resource Functions were enhanced in both the Town and School Departments. This summer the Department recruited and hired an additional half time staff position to assist with the complexities of administering municipal health insurance changes made under Chapter 67 of the Acts of 2011. The Schools fully funded the position of Human Resources Officer which had been 50% funded by the Town in Fiscal 2012. Additionally the Schools funded a Human Resources Assistant position to assist with benefits administration. We are confident the funding of these positions will result in a savings by further tightening and auditing health insurance payments by employees and retirees as well as further enhancing the ability to handle employment issues from within by better monitoring and strengthening the culture of the organization.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Human Resources				
Personnel Services	206,889	222,777	232,011	
Expenses	29,456	36,450	36,450	
Total	236,344	259,227	268,461	-

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Human Resources				
Managerial	1.5	1	1	
Clerical	2.5	2.5	2.5	
Professional/Technical				
Total	4	3.5	3.5	-

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Human Resources				
Health Insurance Contracts Managed	1,878	1,853	1,857	1,860
Life Insurance Contracts Managed	1,067	999	1,000	1,050
Life Insurance Claims Processed	30	20	25	25
Vacancy Postings	23	32	25	25
New Hires	26	43	25	25
Promotions	13	5	5	5
Retirements	15	11	15	15
Resignations/Separations	25	18	30	30

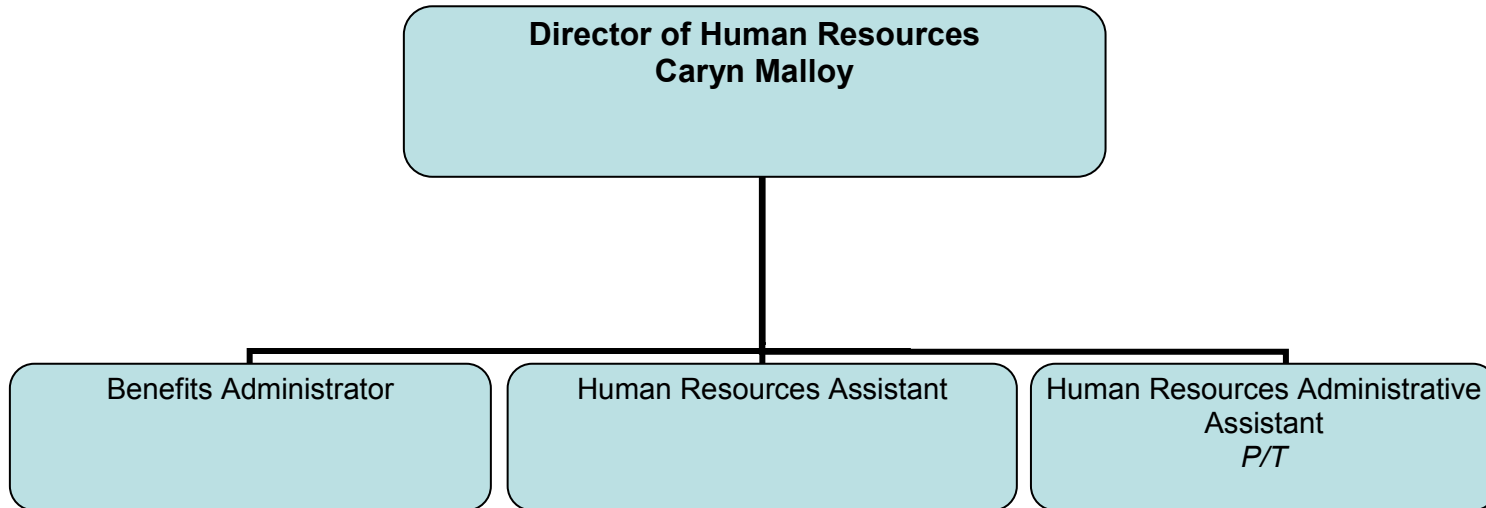


FY2014 Objectives

- Continue to effectively administer the GIC health insurance plans and ensure our employees and retirees feel properly supported in understanding their benefits including understanding of the Health Reimbursement Account Program. Conduct regular and strict auditing of receipts for payment of health and dental insurance.
- Utilize technology to streamline hiring and personnel transactions.
- Work with Arlington Public Schools to update the Town's sexual harassment policy and expand to cover all forms of discrimination. Continue to partner with and support the Arlington Public Schools Human Resource Department.
- Implement and monitor changes to the myriad of local, state and federal employment laws. Look for ways to better communicate with employees and protect the Town from employment liability issues.
- Continue to seek new and creative ways to bring practical and sustainable health and wellness programs to our employees.
- Continue to look for ways to streamline information to assist in budgetary preparation and collective bargaining. Maintain good relations and continue to encourage productive communications with labor unions. Integrate and update all collective bargaining agreements.
- Continue to seek and creative ways to recruit and retain the very best employees to work in Arlington.

Major Accomplishments for 2012

- The Human Resources team conducted the second open enrollment in six months in the spring of 2012 for GIC health insurance benefits. The Department has worked closely with our employees and retirees to ensure understanding of the new dental, flexible spending and health reimbursement account programs.
- The Director of the department worked as part of the management team in the successful negotiation of six multi-year successor collective bargaining agreements all of which were funded at the October 2012 Special Town Meeting.
- Worked closely with Department Heads to successfully facilitate a number of disciplinary issues and workplace investigations.
- The Director supported the Board of Selectmen in the search for a replacement for retired Town Manager Brian F. Sullivan; the Board appointed Adam Chapdelaine who had been serving as the Deputy Town Manager. In the spring, the Director lead a successful search for Deputy Town Manager resulting in the appointment of Andrew Flanagan who had been serving as the Director of Policy & Administration for Newburyport.
- In an effort to continually hire the very best candidates, the Department has enhanced its hiring process by utilizing an Assessment Center model for screening applicants for select positions. This model, based on civil service assessment center promotional exams, involves engagement by candidates in a variety of specific tasks expected to be performed if they are successfully appointed to the position.
- The Director worked with the Equal Opportunity Advisory Committee in ensuring compliance to the Town's Bylaws with regard to female and minority participations goals for construction projects exceeding \$200,000.





Program Description

The Comptroller's Office is responsible for the Town's book 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, monitors departmental budgets, generates and balances monthly appropriation reports, and other financial reports as mandated by the Federal and State governments. The Comptroller is also responsible for the direct management and supervision of the Telephone department. The Telephone department is responsible for the operations of the Town and School phone system and maintaining the two PBX's and voicemail system.

Budget Statement

The Comptroller's Office FY 2014 budget request includes a \$9,746 decrease from FY 2013. This is a result of moving the part-time administrative assistant to the Information Technology Department.

FY2014 Objectives

- Work with Town and School personnel to implement electronic distribution of direct deposit payroll stubs.
- Work with the IT department to research the potential implementation of a town wide Voice over IP (VoIP) telephone system.
- Work with other financial stakeholders to streamline the process of issuing account payable checks.
- Continue to expand and enhance financial reporting to Town Officials and departments.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Comptroller				
Personnel Services	301,271	314,813	305,217	
Expenses	73,138	107,525	107,375	
Total	374,409	422,338	412,592	-

STAFFING

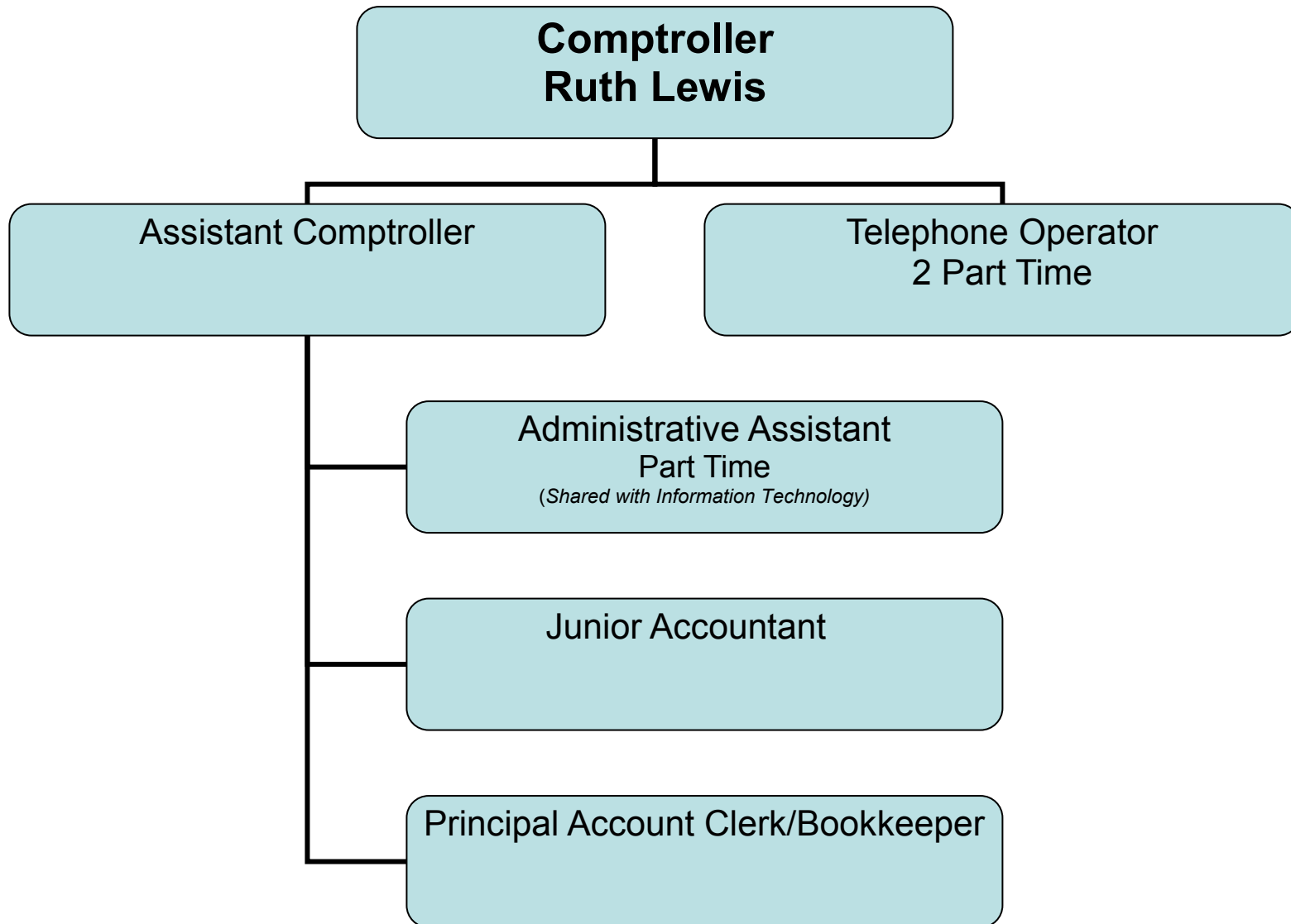
	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Comptroller				
Managerial	1	1	1	
Clerical	3.8	3.8	3.5	
Professional/Technical	1	1	1	
Total	5.8	5.8	5.5	

Major Accomplishments for 2012

- Oversaw complete upgrade of MUNIS financial software and operating system.
- Closed the Town's books and had the town audit and free cash certified by the end of the September.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Accounting				
General ledger entries	122,165	120,748	119,000	118,000
Purchase Orders	4,953	5,084	5,096	5,150
Accounts Payable batches	1,192	976	960	945





Program Description

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

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

The Treasurer/Collectors office is responsible for the proper handling and management of all monies belonging to the Town. Included in those responsibilities are the following:

- Responsible for the billing and collecting of all Real Estate Tax, Personal Property Tax, Motor Vehicle Excise Tax, Parking fines and Permit fees, Water & Sewer accounts, and collecting all Town and School Department(s) receipts. Payments are received directly in the Treasurer's Office, through the mails, via on-line electronic checking transactions, and lock-box.

Program Description (continued)

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

Budget Statement

The Treasurer's Office continues to scrutinize its current budget for any potential savings, while being mindful of the critical importance to maintain resources sufficient to collect and manage over \$126,190,591 in Town revenues.

Given the current economic situation, interest income revenue is expected to remain at the same low return as the previous 3 fiscal years.



Major Accomplishments for 2012

- Treasurer's Office continues to achieve one of the best commitment-to-collection ratios of real estate and personal property taxes of any community in Massachusetts by developing internal collection procedures with a focus on end-of-fiscal-year results. Real Estate Tax collections = 100%
- Attained a top rating of Triple-A ("AAA") from Standard & Poor's rating agency for the **8th** consecutive borrowing.
- Arlington is a member of a group of less than 21 communities in Massachusetts attaining this highest designation.
- FY 2012 Town Audit found Treasurer's operation in full compliance.
- Continue to manage Town of Arlington's relationship with Investment Advisor. Current net realized gain on all trust fund accounts is 10.82%.
- Managed successful annual borrowing of \$12,692,000 with an interest rate of 2.08% and \$2,205,000 at .28% with a "AAA" Rating from S&P.
- The Treasurer's Office administers the Arlington Citizens Scholarship Fund, which provides financial assistance to Arlington residents attending higher education. Increased scholarships awarded to 92, totaling \$135,000 in 2012.
- Aggressively managed the on time issuance of all billing and collections for Real Estate Tax, Motor Excise Tax, Water & Sewer, and Parking, accurately and on time to avoid short-term borrowing.

FY2014 Objectives

- Issue RFI for on-line debit and credit card payments
- Implement on-line debit and credit card capabilities
- Issue RFI for Printing of all Real Estate Tax, Motor Vehicle Excise Tax, Water & Sewer bills, and Parking Violation Notices.

STAFFING

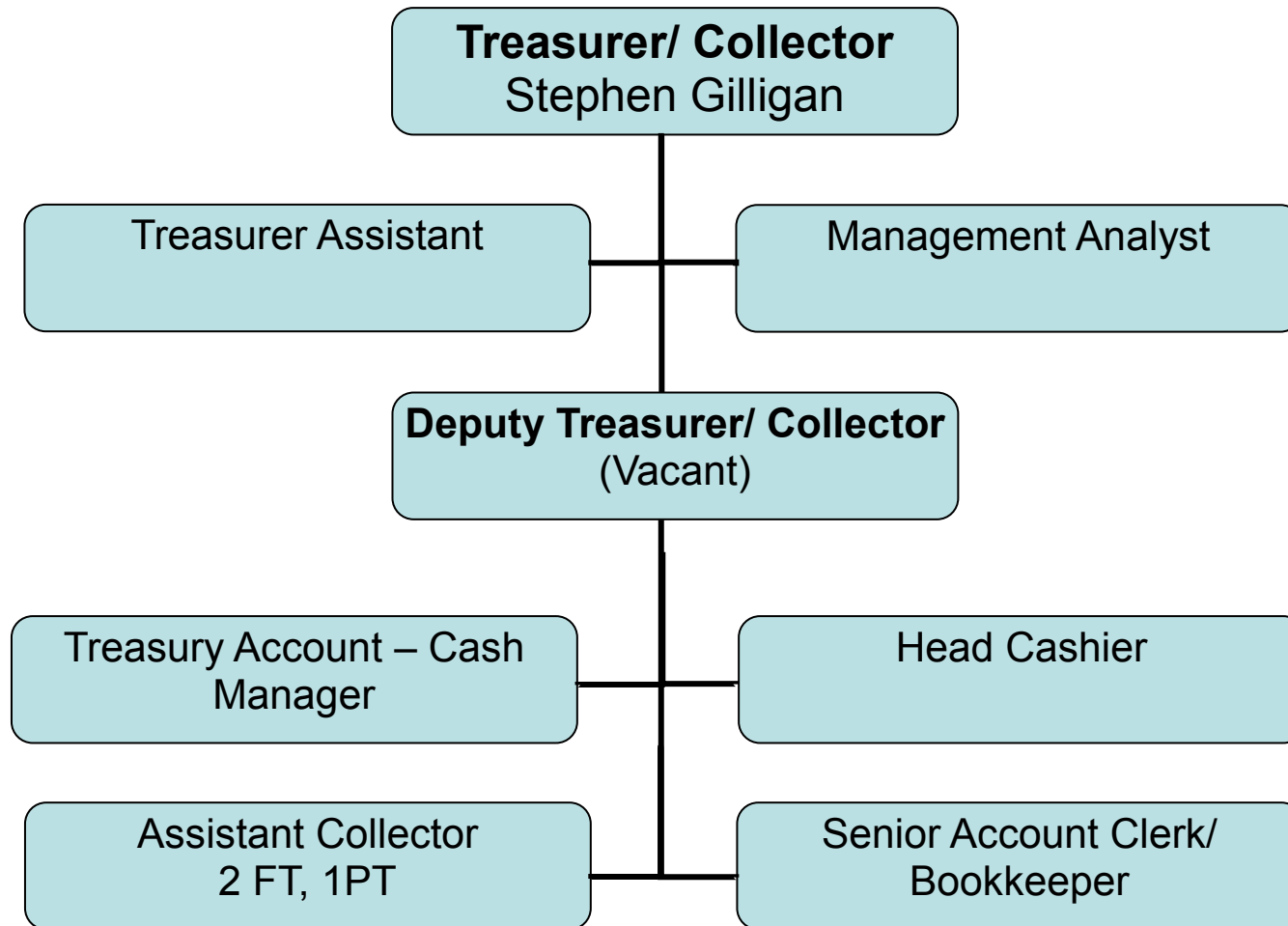
	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Treasurer				
Managerial	1	1	1	
Clerical	7	7	7	
Professional/Technical	2	2	2	
Total	10	10	10	

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Treasurer				
Real Estate Bills Processed	60,119	63,000	60,638	60,638
Motor Excise Bills Processed	35,222	35,456	35,659	35,659
Water Sewer Bills Processed	24,965	24,973	24,921	24,921
Delinquent Notices - Combined	22,604	14,831	18,428	18,428
Total Bills Issued:	142,910	138,260	139,646	139,646
Liens from Water Sewer delinquency (less than 1.5% of total commitment)	\$134,180	\$183,273	\$131,294	\$131,294
Lien Certificates processed	\$ 1,674	\$ 1,541	\$ 1,488	1,488
Lien Certificate revenue	\$ 83,700	\$ 77,093	\$ 64,103	\$ 64,103
Deputy Tax Collection revenue	\$197,534	\$210,196	\$171,202	\$171,202
Total Various Liens / Collections:	\$415,414	\$470,562	\$366,599	\$366,599

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Treasurer				
Personnel Services	411,706	501,432	518,680	
Expenses	114,379	111,375	130,375	
Total	526,085	612,807	649,055	-





Program Description

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

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

Budget Statement

The financial difficulties that the U.S. Postal Service is experiencing is expected to have a significant impact in the cost to the Town as well as how the Town's postal division can actually process its outgoing mail. The Treasurer will continue to monitor the latest announcements from the U.S. Post Office to determine the impact on the 2014 postage budget. Postage rates continue to increase. Rate increase expected in FY 2014. We evaluate each mailing to determine and use lowest possible mail-rate.

Major Accomplishments for 2012

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

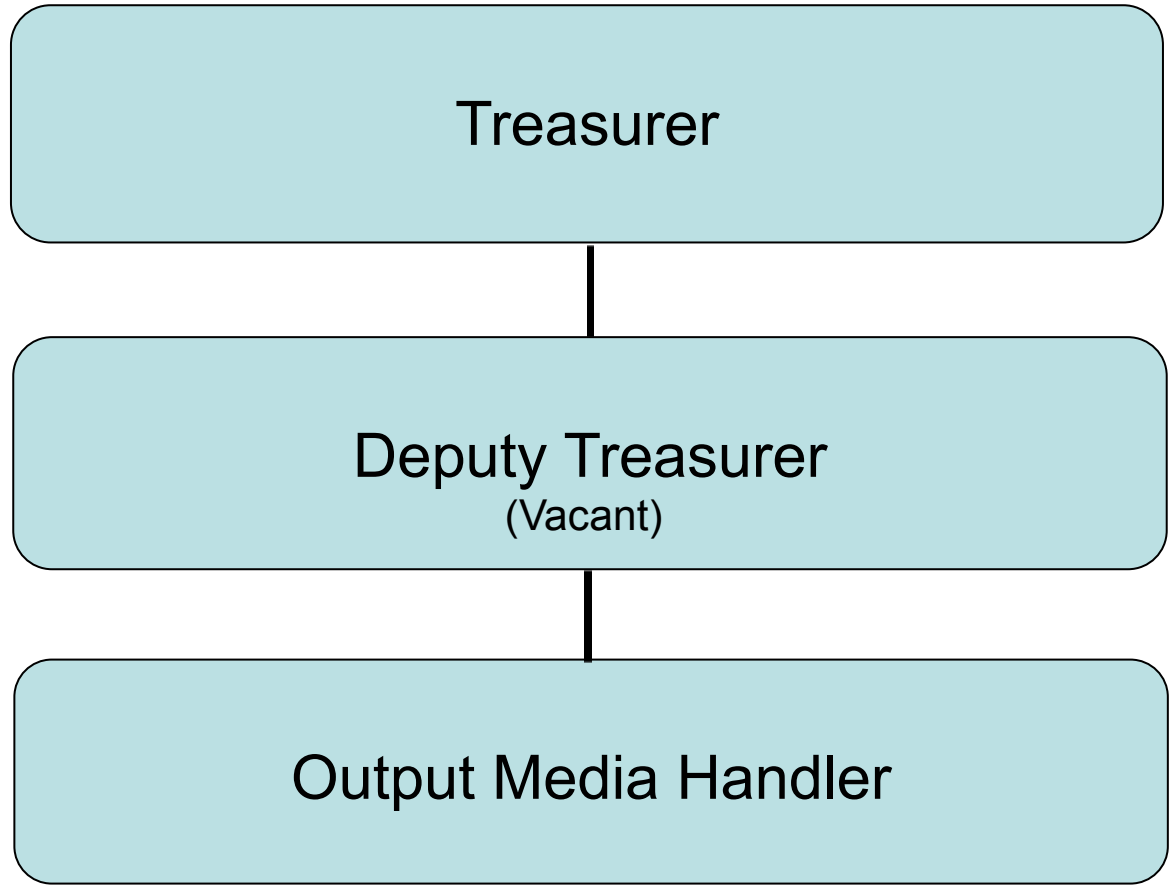
FY2013 Objectives

- Complete RFI for postal outsourcing of printing and mailing of bills.
- Continue to explore in-house alternatives to outsourcing

PROGRAM COSTS				
Postage	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	25,654	30,453	31,279	
Expenses	119,553	141,731	139,231	
Total	145,207	172,184	170,510	-

STAFFING				
Postage	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial				
Clerical	0.7	0.7	0.7	
Professional/Technical				
Total	0.7	0.7	0.7	

Performance / Workload Indicators				
Postage	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Bills mailed: Real Estate, Water/Sewer, Motor Vehicle Excise and Parking	142,910	138,260	145,492	145,492
Other Town Mailings	139,849	122,728	137,656	137,656
Other School Mailings	64,297	46,924	62,879	62,789
Total:	347,056	307,912	346,027	345,937





Program Description

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

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

Budget Statement

The Board of Assessors' budget for FY2014 will be increased by \$7,796. This is due to cost of living/step increases.

FY 2014 Objectives

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

PROGRAM COSTS				
Assessors	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	234,724	239,265	246,761	
Expenses	22,967	26,400	26,700	
Total	257,690	265,665	273,461	-

STAFFING				
Assessors	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical	3.5	3	3	
Professional/Technical				
Total	4.5	4	4	

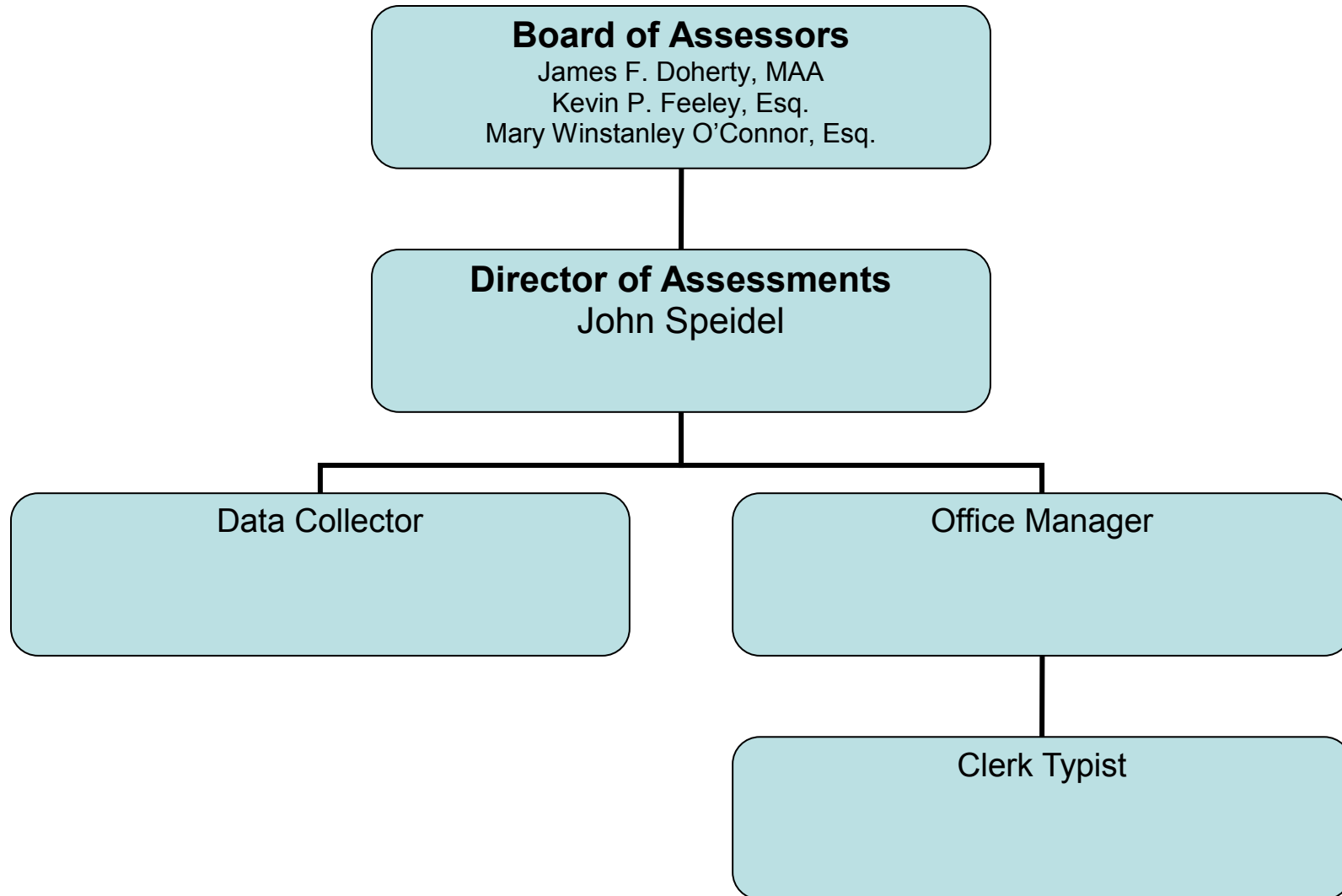


Major Accomplishments for 2012

- The Assessor's Office timely committed all bills for real estate, personal property and auto excise taxes to the Tax Collector.
- The Office continued their efforts to work interdepartmentally to insure that all taxpayers are informed as to the benefits available.
- The Office successfully completed the Tri-annual Recertification with the Department of Revenue of all real and personal property.

Performance / Workload Indicators

<i>Assessor</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Real Estate Bills processed	14,687	14,733	14,759	14,780
Motor Vehicle bills processed	43,000	35,011	35,000	35,000
Personal Property bills processed	573	502	648	600
Real Estate exemption applications	538	498	400	400
Real Estate and Personal Property Abatements	114	155	165	150
Motor Vehicle Excise abatements	1,597	1,798	1,750	1,750
Citizen Inquiries	8,000	10,000	10,000	10,000





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 support;
2. Town and School administrative applications, implementation, training and support; and
3. School Academic applications implementation, training and support.

The first two functions are under the management of the Town Manager and are supported in this budget item. The third function is under School Superintendent and is supported in the school budget. The Information Technology Department is responsible for assessing, purchasing, supporting, implementing, and maintenance of over two thousand desktop computers , five hundred iPads, three hundred laptop's over four hundred printers, thirty servers, three hundred projectors, Town and School network infrastructure, electronic communication systems, video security systems, the Munis financial software system, PowerSchool(student information system), electronic security systems, integrated collection system, automated meter reading system, and numerous Town and School Web sites.

Budget Statement

Overall the budget has been increased by approximately \$120,263.00 The reasons for the increase are related to the .5 transfer of the Administrative Assistants position from the Comptrollers budget to the IT Budget making the Administrative Assistant position reside full time in the IT Department and the addition of the Systems Analyst position. The budget also includes the purchase of software maintenance for products acquired in the past year that were previously covered under the initial warranty purchase agreement.

FY2014 Objectives

- Work with the Town Manager's Office and Town departments to develop and release a three-year IT Strategic Plan.
- Perform Network assessment of all Town buildings and begin installing new switching hardware to support Wireless, Voice Over Internet Protocol and Power Over Ethernet.
- Create RFP for the replacement of the existing telephone infrastructure
- Begin planning implementation of recommendations of the Building Security Assessment
- Bring new Thompson School online and populate with technology resources for teachers and students
- Form Committee to assess and recommend VOIP telephony system for Town and Schools

Major Accomplishments for 2012

- Installed a new APC Symmetra UPS System to meet UPS requirements for all servers, increasing run time during a power outage and facilitating power management to critical servers, internet firewall and network equipment.
- Installed a new IBM Backup Server with an internal 5 TB disk array for disk-to-disk backups. Upgraded to most recent version of Computer Associates ArcServe backup software. Installed a new Overland LTO 5 Tape Library to triple backup capacity and throughput. Installed DHQ for ARLPD, to enhance communication to their staff.
- Analyzed AYCC's requirement for a Practice Management System that would address Scheduling, Billing, Insurance claims processing and clinical EMR (electronic medical records. Searched for vendors whose systems met requirement and budgetary limitations. Conducted a detailed vendor assessment process to select a suitable vendor with whom we contracted for software and training.
- Installed Police Management package "Digital Headquarters" in the Community Safety Building and in all of the mobile PC's in the police cruisers.



Major Accomplishments for 2012 (continued)

- Installed CJIS / Coplink so that the ARLPD can now contribute crime data to the main CJIS database, which is utilized by many police departments. Each department contributes data which can be shared among the different departments. Criminal investigations can now include information from similar crimes in other communities.
- Configured FireHouse software to enable printing features at each fire house, and at Community Safety building.
- Highland Station Computer Upgrades (Aug 2011) - installed new computers, printers, switches and telephones.
- Installed new Barracuda Mail Archiver to enhance performance, and reduce maintenance costs.
- Conducted real-time emergency response mapping that connected Public Works dispatch with the EOC
- Conducted mobile mapping using a tablet pc and internet-based software
- Completed elementary school redistricting mapping, which included statistical and spatial analysis.
- Launched the spyponder.com domain with Google Apps 9-12 - including training teachers to use the student accounts.
- Arlington Public Schools in conjunction Apple Computer established an iPad pilot furnishing SPED teachers with sixty iPad II's to be used to assess the uses of iPads in the SPED curriculum.
- Arlington Public Schools continued its rollout of services hosted in the Google Cloud by adding Arlington High School students into the Google environment for e-mail, and using Google Docs, Calendar, and Google Sites. This enables students and teachers to communicate and share work electronically from within the secure APS Google Domain.
- The District continued its upgrade of the School's network by installing wireless network access in the common areas at AHS and Ottoson Middle School. Wireless was also installed in the cluster classroom areas at the Ottoson Middle School. Wireless assessments will be finished during the April break for all remaining schools on the District
- The Arlington High School Auditorium audio visual systems were upgraded with a new projector and remote access screen and controls. The new projector system was integrated with the auditorium sound and lighting systems. Wireless network access was also installed for use with the new audio visual system.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Information Technology				
Personnel Services	364,878	383,770	485,794	
Expenses	179,276	177,660	183,349	
Total	544,154	561,430	669,143	-

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Information Technology				
Managerial	1	1	1	
Clerical	0.5	0.5	1	
Professional/Technical	4.5	4.5	5.5	
Total	6.0	6.0	7.5	

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Information Technology				
Computer Upgrades	64	55	61	50
Printer Upgrades	15	16	15	15
Server Upgrades	5	5	4	4

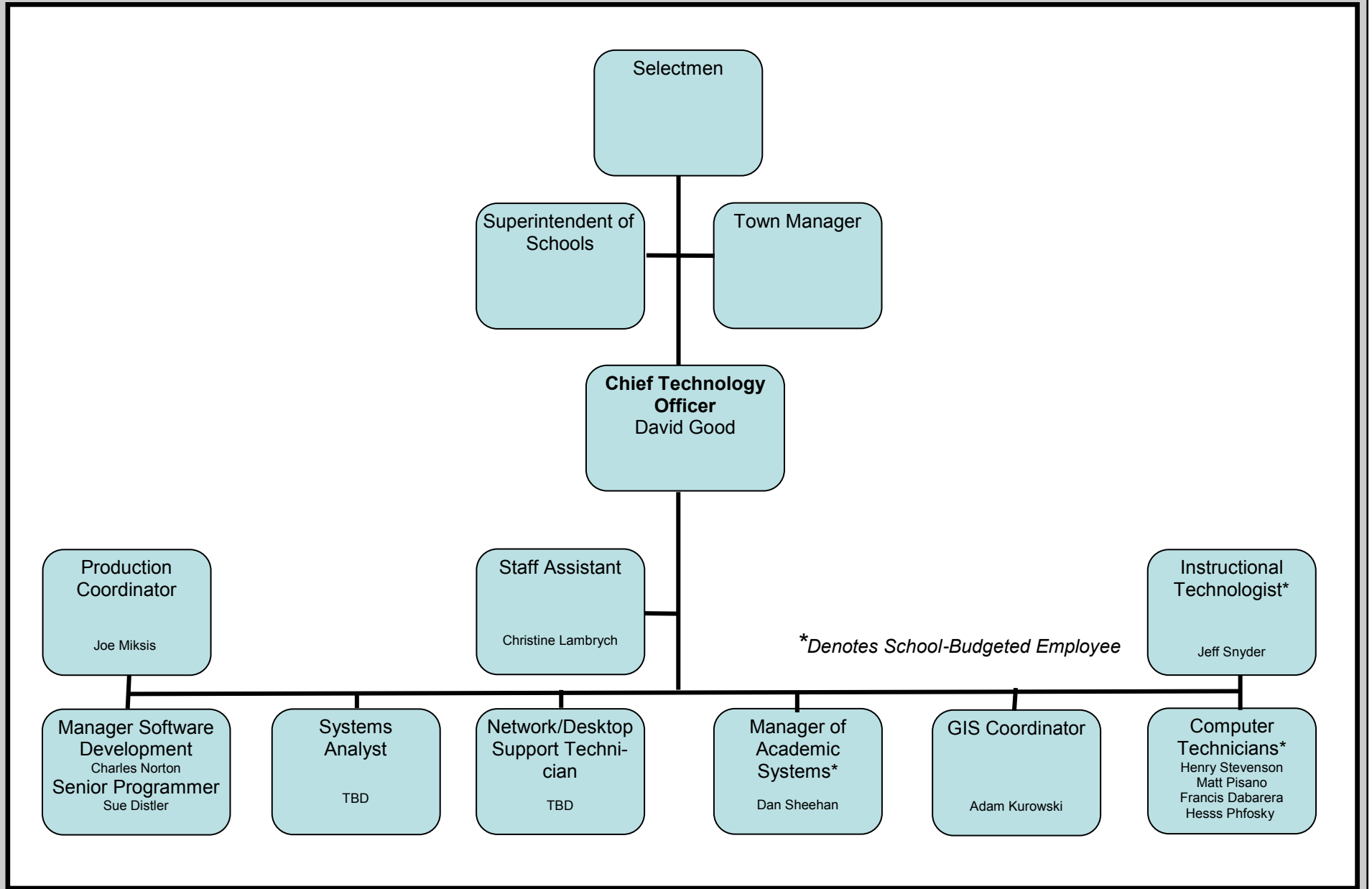
Major Accomplishments for 2012 (continued)

- The Thompson School computing infrastructure was decommissioned and redistributed amongst the Hardy, Bishop and Stratton elementary schools to support Thompson students who were re assigned during the construction of the new Thompson school. A new computer lab was built at the Stratton to support students at the school.
- Projectors and document cameras were purchased and distributed throughout the District to support teachers in their classroom endeavors. The District also piloted the use of a small number of response systems to assess the effectiveness of polling technologies in the classroom.



Major Accomplishments for 2012 (*continued*)

- Arlington High School and the Ottoson Middle School participated in a Google ChromeBook laptop pilot. Thirty Chromebooks were installed in the Ottoson Middle School Media Center and the AHS Learning Commons to support mobile group learning outside of the classroom.
- Additional network connectivity was installed in all of the elementary school computer labs to support increased use of lab environments throughout the District.
- The Arlington Public Schools purchased and installed 120 laptops and carts in the Ottoson Media Center and in the cluster classroom areas to support workgroup learning with mobile computing.
- A new hosted service to assist the SPED department with managing the IEP process. EasyIEP was brought online this year and integrated with our PowerSchool Student Information System. The SPED department also procured 11 laptops and portable printers for case workers in order to streamline the assessment process.
- Renovations continue at the AHS Learning Commons. Wireless was installed and a new remote controlled projector and wide screen along with sound system and pendant microphones for use by teachers, students and guest presenters. A new SmartBoard was also installed with a short throw projector in the adjacent Language Lab.
- Completed first phase of automating the extraction and transferring of assessment data using standard data reports for the Assessors office
- Supported the transfer of MUNIS to a new operating system and database.
- Completed a project that also serves as a template for report comparison and data extraction for Personnel. The project was a report comparison that allows Personnel to validate monthly GIC insurance statements with Personnel's own records of insurance enrollees. The application allows Personnel's staff to compare two data reports semi-automatically.





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 for the orderly accomplishment of the Town's increasingly complex municipal legal issues.

Budget Statement

Given the anticipated budgetary constraints, the Department will handle as many legal matters in-house as is professionally responsible in an attempt to contain outside counsel costs. Historically, during periods of municipal budget contractions, there is a significant increase in the need for legal representation. Likewise, during state and national fiscal downturns, claims against municipalities tend to increase. The various Town departments have, and will continue to be, counseled in claims avoidance practices and procedures. The Department has increased its workers' compensation claims management cost containment efforts in an attempt to reduce the impact of increasing medical related cost and expenses. In that regard, the staff worked closely with involved employees during the past year to ensure that the medical and disability components of their claim were being handled effectively and efficiently. Updated procedures involving the medical bill review program have also allowed the department to keep abreast of the new electronic records systems instituted by the various medical providers. The ongoing network pharmacy program has proven to be both cost effective and extremely beneficial to injured town employees. Claims tracking and reporting procedures have been further automated to provide greater efficiency and reduction in associated costs. Working in conjunction with the various Town departments, the return to work and loss prevention programs have been customized in order to improve efficacy and reduce costs. The Department will continue its efforts to explore opportunities to mitigate injury risk potential and resulting claim exposure.

PROGRAM COSTS				
Legal	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	285,012	300,969	314,996	
Expenses	121,016	138,350	138,350	
Total	406,029	439,319	453,346	

STAFFING				
Legal	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	2	2	2	
Clerical	1.5	1.5	1.5	
Professional/Technical	1	1	1	
Total	4.5	4.5	4.5	



Major Accomplishments for 2012

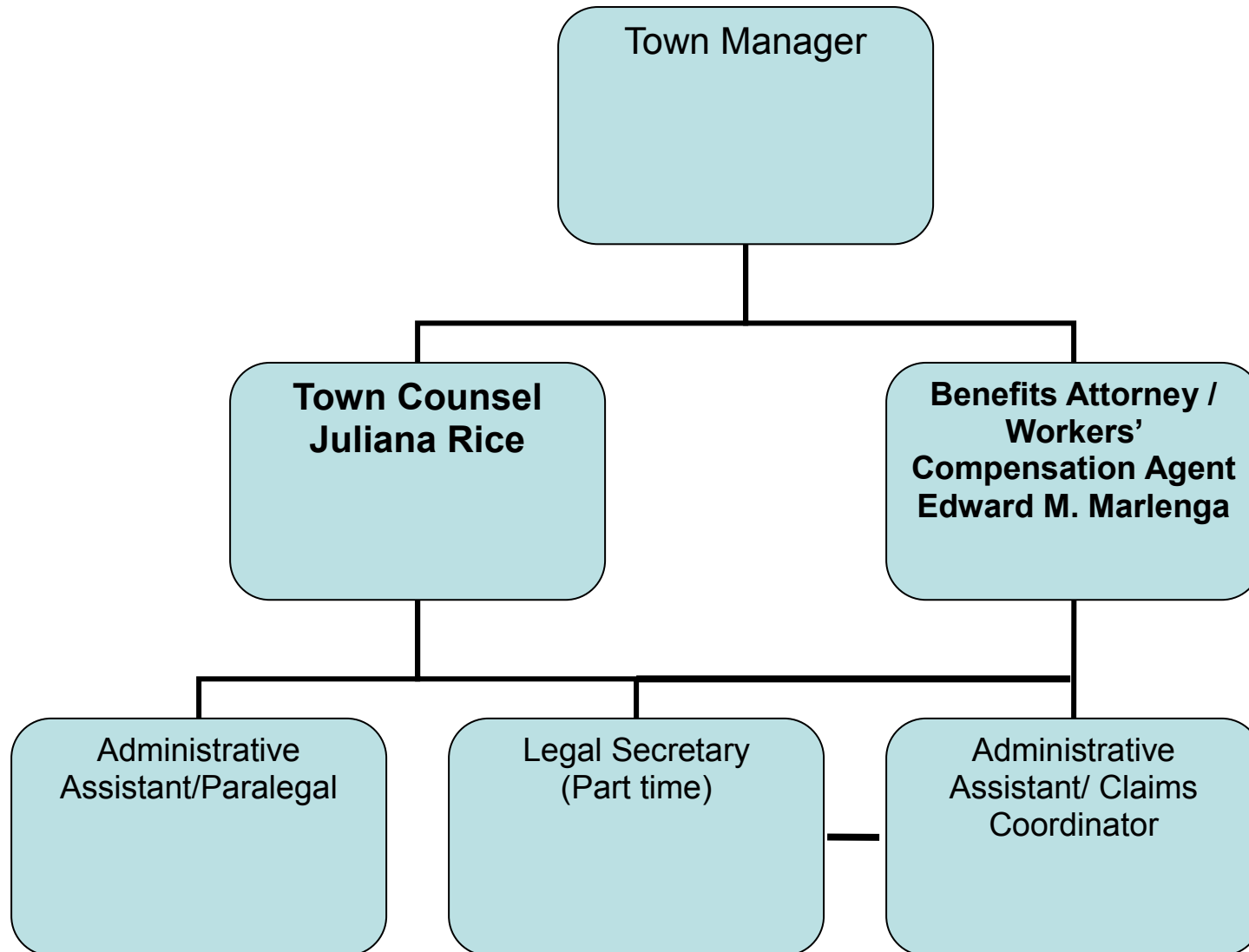
- Appeared regularly in the courts of the Commonwealth for hearings on motions, including many significant dispositive motions and successful hearings and trials.
- Defended the Town in claims involving firearms licensing and alleged violations of the Fourth and Fourteenth Amendments to the United States Constitution. Successfully defended Town administrative decisions in Massachusetts Superior Court.
- Investigated and defended fifty-two 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 FY12.
- Investigated and defended sixty-six M.G.L. Chapter 258 claims (Massachusetts Tort Claims Act) pending against the Town in FY12.
- 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.
- Coordinated medical billing review procedures in conjunction with the new electronic records systems instituted by the various medical providers.
- Instituted updated injured employee claims tracking and reporting procedures for greater efficiency and cost reduction.
- Pursuant to M.G. L. Chapter 41 §100 & 111F, subrogation claims were filed against non-employee individuals deemed to be responsible for injuries to our uniformed personnel. As has been the case in the past, monetary recovery is anticipated on these claims and will be returned to the General Fund.
- Prepared warrant articles, reports, bylaw amendments, home rule legislation, and other documents for Annual Town Meeting and one Special Town Meeting. Appeared at all sessions to advise Town Meeting.
- Supported Town departments with contract negotiations, review, and revisions and research and recording of real property instruments.

FY2014 Objectives

- Work with other Town departments in an effort to recover various amounts owed to the Town.
- Work with the Town's management team to develop requested legal and policy positions in a variety of substantive areas.
- The Legal Department, in conjunction with outside counsel, is involved in adjudicatory hearings before the Federal Environmental Protection Agency and the State Department of Environmental Protection in order to eliminate the Somerville and Cambridge combined sewer outflows into Alewife Brook, which when activated have caused considerable flooding of untreated effluent near many homes in East Arlington. The goal of the Town's involvement is to convince these agencies and municipalities to undertake substantive and immediate actions to mitigate the unhealthful effects such overflows have on certain Arlington neighborhoods.
- Review all existing Policies and Practices of the Board of Selectmen and make recommendations on streamlining and making them more effective and up-to-date.
- To explore and potentially upgrade the presently existing workers' compensation, tort and property damage claims database system to a browser based application to allow for greater automation, flexibility and reporting capabilities.

Performance / Workload Indicators

Legal/Worker's Compensation	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
MGL Chapter 84 Claims				
<i>Personal injury/property damage as a result of a claimed defect in a public way</i>				
Total	44	52	50	50
Claims closed	24	23	25	25
New claims	26	10	20	20
<i>MGL Chapter 258 Claims- Massachusetts Tort Claims Act</i>				
Total	48	66	50	55
Claims Closed	14	15	20	20
New claims	22	17	20	20
Fire - Injured on Duty Claims	28	31	20	15
Police - Injured on Duty Claims	11	14	10	10





Program Description

The Town Clerk's Office ensures accurate compliance with constantly changing State Laws relative to the Town Clerk and Registrars of Voters and 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 Town Meeting votes.
- Record, file, index and certify all documents, licenses, permits and vital statistics, such as births, marriages, deaths, business and raffle certificates and dog licenses.
- Conduct and scan an annual census.
- Certify nomination papers, petition forms, residency, voter certificates and warrant articles.
- Provide census and voter registration data on cd's upon request.

Budget Statement

Due to increase in longevity and cost of living increases, the budget for the Town Clerk's Office has increased \$8,658 from Fiscal Year 2013. The Town Clerk's Office continually strives to balance the budget without impacting the quality of service to the public.

FY2014 Objectives

- Continue working with the GIS Coordinator to fully utilize the People Forms and other electronic applications in order to facilitate the possible implementation of electronic payments.
- Work with Vital Records on the potential for electronic transmission of death records to the Town Clerk's Office.
- Continue working with the Public Information Office on posting additional information to the website and enhancing the Town Clerk's web interface with the general public.

PROGRAM COSTS				
Town Clerk	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	200,009	216,771	225,559	
Expenses	25,313	27,600	27,600	
Total	225,322	244,371	253,159	-

STAFFING				
Town Clerk	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical	2	2.25	2	
Professional/Technical	1	1	1	
Total	4	4.25	4	



Major Accomplishments for 2012

- Effectively conducted three elections and one special-election resulting in more than 5900 absentee ballots being provided to voters.
- Submitted all bylaw amendments voted at town meeting to the Attorney General's Office for approval and supplied additional information when requested.
- Streamlined the process for mailing absentee ballots overseas.
- For the first time, the Town Clerk's office was able to post the election results to the town's website the evening of the election.
- Compiled bond certification documents to be filed by the Treasurer's Office and submitted loan authorization materials to the Department of Revenue.

Performance / Workload Indicators

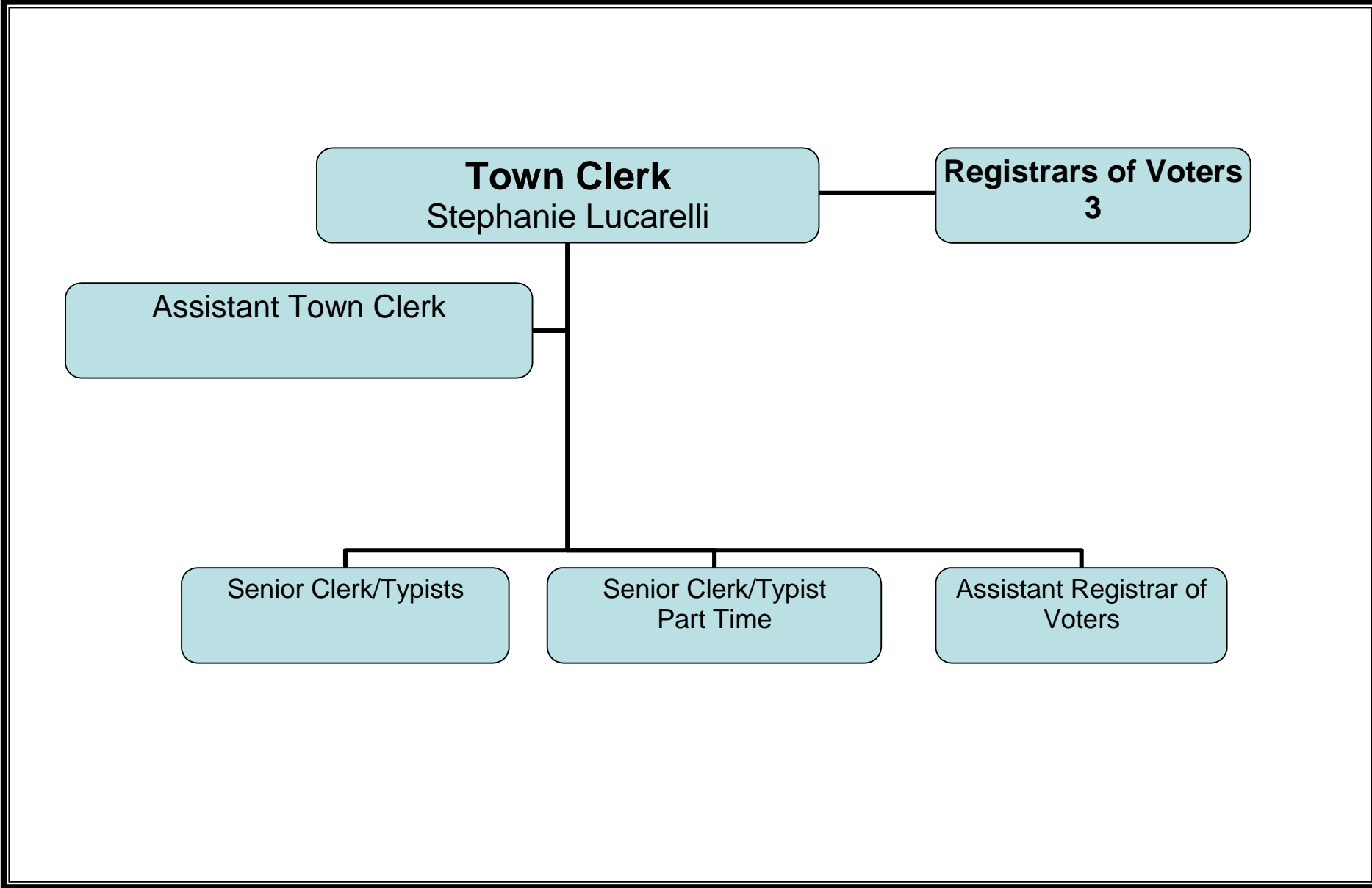
	FY2011 Actual	FY2012 Estimated	FY2013 Estimated	FY2014 Estimated
Marriage Licenses	250	225	240	245
Death Certificates	375	400	450	460
Birth Certificates	600	600	600	610
Dog Licenses	1,600	1,700	1,800	1,810
Town Meeting Sessions	10	8	9	9
Special Town Meeting Sessions	2	2	2	2
Registered Voters	30,200	30,636	31,000	31,000
Fees Generated	\$72,000	\$90,000	\$80,000	\$80,000

PROGRAM COSTS

Board of Registrars	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	39,223	40,581	42,590	
Expenses	8,524	13,550	13,350	
Total	47,746	54,131	55,940	-

STAFFING

Board of Registrars	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial				
Clerical	1	1	1	
Professional/Technical				
Total	1	1	1	





Program Description

The Treasurer, as the Parking Clerk appointed by the Board of Selectmen, manages the collection of parking fines and issues parking permits. Those responsibilities include:

- The collection of payments for parking violations 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/Maintenance.
- Managing, administering and processing of parking permits and the special permits program.

Budget Statement

Requested Capital Plan authorization for replacement of current parking meters.

FY2014 Objectives

- Propose replacing four (4) parking meter kiosks in Town municipal parking lots
- Continue annual review of fee structure and duration of parking permits with selectmen sub-committee

PROGRAM COSTS

Parking	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	77,885	82,415	83,978	
Expenses	29,587	28,935	28,935	
Total	107,472	111,350	112,913	-

STAFFING

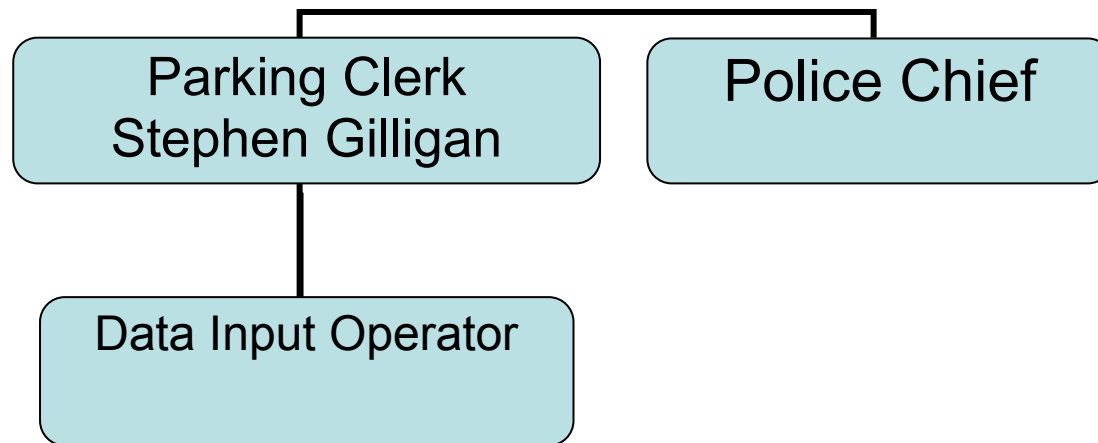
Parking	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial				
Clerical	1	1	1	
Professional/Technical				
Total	1	1	1	

Major Accomplishments for 2012

- Continue to work with Police Department to implement towing and other programs. Where appropriate, to collect delinquent violation payment
- Continue to work with the DPW Maintenance Department to maintain our four parking meters.

Performance / Workload Indicators

Parking	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Number of tickets issued	12,548	13,827	13,503	13,503
Revenue	\$255,043	\$365,616	\$340,462	\$340,462
Meters Collected	\$67,359	\$ 81,343	\$ 71,888	\$ 71,888
Parking Permits	\$148,124	\$149,869	\$128,543	\$128,543
Total Viol. / Meter / Permit Revenue	\$470,526	\$596,828	\$540,893	\$540,893





Program Description

The Department of Planning & Community Development prepares and implements long-term and short-range plans related to the Town's natural and built environment. The Department works with the public and the private sector to ascertain and realize community goals for land use and physical development in housing, transportation, economic development, public services and facilities, historic, natural and cultural resources, open space and recreation.

The Department also administers the \$1.2 million Community Development Block Grant (CDBG) and other grant programs, oversees the day-to-day operations of six Town-owned buildings with over twenty occupants and tenants, and supports the efforts of Town boards, committees, and commissions.

Budget Statement

The FY14 budget is projected to decrease by \$13,335 due to a part-time position being consolidated and transferred under the Town Manager.

STAFFING

Planning & Community Development	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical	1	1	1	
Professional/Technical	4.3	4.3	3.82	
Total	6.3	6.3	5.8	

PROGRAM COSTS

Planning & Community Development	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	189,713	350,503	337,168	
Expenses	16,910	16,200	16,200	
Total	206,623	366,703	353,368	-

FY2014 Objectives

- Engage the public in preparing Master Plan Goals and Policies and working drafts of plan elements.
- Develop, analyze and present data analyses on Arlington trends and opportunities in land-use and physical development in support of Master Plan.
- Identify Economic Development strategies for specific sites for redevelopment to attract innovative entrepreneurs and start-up companies and maintain Arlington's commercial vitality.
- Support and expand appropriate business uses to arrest or reverse the trend of increased tax burden on residential assessments.
- Oversee community and business relations aspects of Mass Ave Corridor phase 1 construction.
- Oversee community and business relations aspects of Route 60-Mystic Street -Mass Ave intersection improvements.

PROGRAM COSTS

Redevelopment Board	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	31,610	32,655	32,559	
Expenses	2,479	10,800	10,800	
Gibbs	192,143	200,510	200,510	
Parmenter	4,980	15,000	15,000	
Crosby	10,750	-	-	
Dallin Library	8,593	5,000	5,000	
Total	250,555	263,965	263,869	-



Major Accomplishments for 2012

- Hosted opening event attended by 150 people in October to launch long range Master Plan
- Construction commenced on Arlington 360, the former Symmes Hospital urban renewal site, after a four year hiatus comprising, including 27 affordable housing units, 12 for-sale condominium townhomes, an assisted living facility, and two public parks.
- Community Development Block Grant assisted 1,586 persons via 13 Public Service Programs, an active Affordable Housing Program, and several Public Improvement projects including enhanced accessibility at the Boys & Girls Club and the installation of curb cuts/wheelchair ramps in various parts of Town.
- Marketing of 17 affordable apartments at ALTA Brigham's Square, the site of the former Brigham's Ice Cream factory
- Held public open house on 75% design of Mass Ave Corridor Project
- Commenced contract to restore landscaping and masonry of historic garden wall at Town civic block
- Completed close-out of ARRA Economic Recovery grants
- Presented three design alternatives for Arlington Center Safe Travel project funded by air quality-mobility grant
- Menotomy Grill and Tavern Special Permit issued to re-tenant vacant former video store
- Public outreach for Master Plan at Arlington Town Day
- Vision 2020 activities -Public Art group formed, first installation of public art mural at Boys' and Girls' Club, invasive weed treatment program at Spy Pond continued, installation of Habitat Garden at Arlington Reservoir and treatment for water chestnuts, conducted Vision 2020 Town Census Survey on Transportation, Housing, and Community Character
- Implemented bike rack installation program at Town Hall and Arlington Heights

Major Accomplishments for 2012 (cont.)

- Bike Committee activities - BikeArlington Tour, achieved Bronze Designation, "Bike Friendly Community" by League of American Bicyclists, received award - highest % bike commuters in metro Boston region
- Community Development Block Grant assisted 1,586 persons via 13 Public Service Programs, an active Affordable Housing Program, and several Public Improvement projects including enhanced accessibility at the Boys & Girls Club and the installation of curb cuts/wheelchair ramps in various parts of Town.

Performance / Workload Indicators

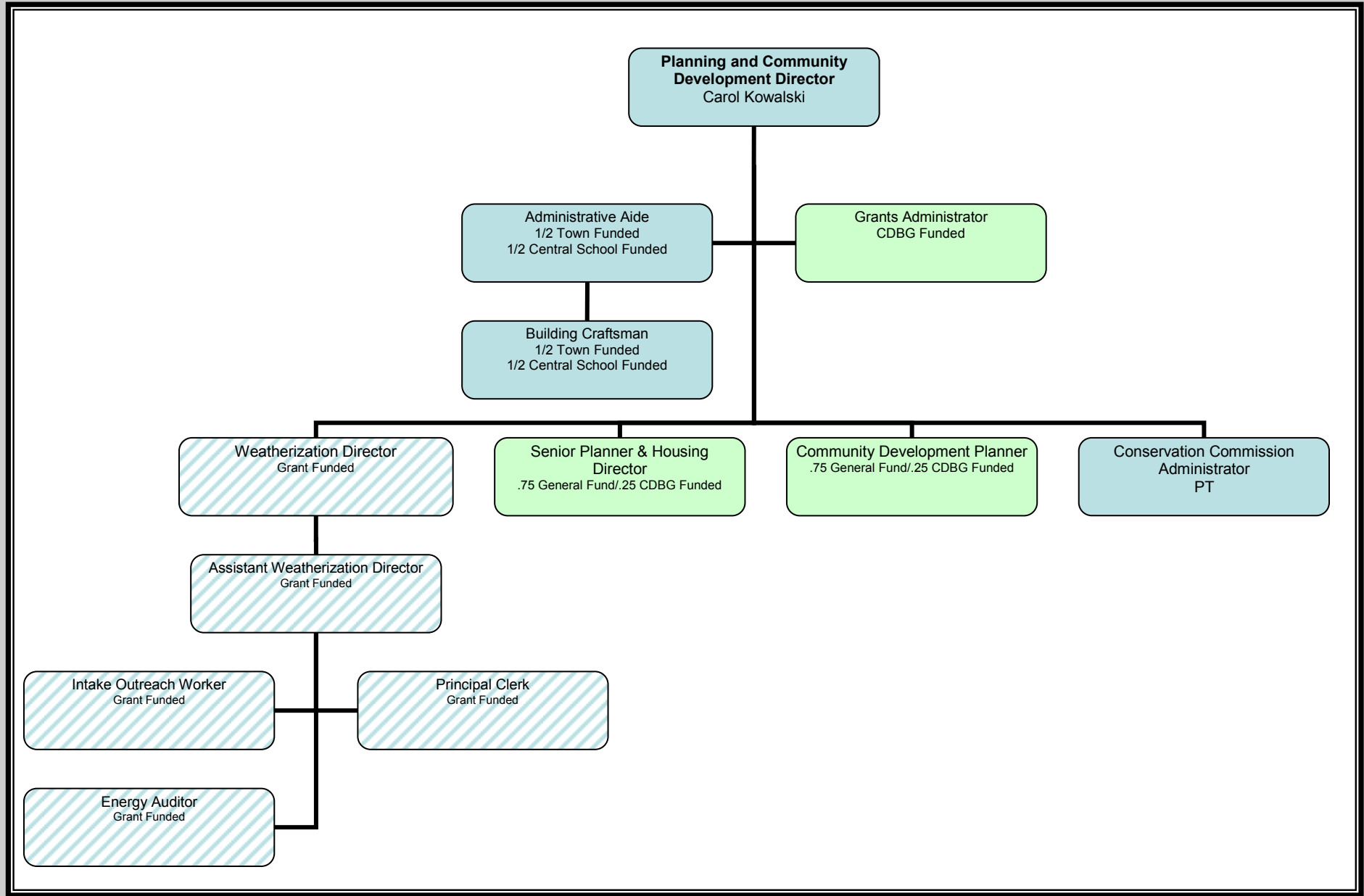
<i>Planning & Community Development</i>	FY2011 Actual	FY2012 Estimated	FY2013 Estimated	FY2014 Estimated
Room rental fees	\$ 15,000	\$ 4,000	\$ 5,000	\$ 4,000
Evening Meetings attended	275	275	275	290
Attendance at meetings outside of Arlington	60	60	50	50
Sign Permit Applications Reviewed	20	20	20	20
Contracts negotiated and administrated	8	4	8	12
Zoning Board Applications reviewed	20	20	20	20
Citizen inquiries Requests	250	275	275	300
	1,500	1,500	1,500	1,500
CDBG Funds Administered	\$ 1,431,536	\$ 1,250,000	\$ 1,190,887	\$ 1,100,000

Performance / Workload Indicators

<i>Conservation Commission</i>	FY2011 Actual	FY2012 Estimated	FY2013 Estimated	FY2014 Estimated
Evening Meetings attended	24	24	24	29
Conservation Permits - Reviewed and Issued	18	18	18	22
Citizen inquiries	250	250	250	200

STAFFING

Redevelopment Board	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 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 FY2014 is increased by \$3,149.

FY2013 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 2011

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>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Applications	30	20	21	21
Revenue	\$ 11,200	\$ 8,000	\$ 8,400	8400

PROGRAM COSTS

Zoning Board of Appeals	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	12,748	13,981	17,130	
Expenses	2,837	4,100	4,100	
Total	15,585	18,081	21,230	

STAFFING

Zoning Board of Appeals	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial				
Clerical	0.5	0.5	0.5	
Professional/Technical				
Total	0.5	0.5	0.5	



Zoning Board of Appeals
5 Member Board

Principal Clerk
Part Time



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PUBLIC WORKS

PUBLIC WORKS • STREETLIGHTS



Program Description

The Public Works Department comprises 8 separate divisions to maintain the Town infrastructure. The Divisions are:

- Administration
- Engineering
- Cemeteries
- Natural Resources (Parks and Trees)
- Properties (Building Maintenance, Custodial)
- Highway
- Motor Equipment Repair
- Water and Sewer Utilities

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 19,000 public trees. In addition the Department maintains over 150 Town vehicles and operates three service utilities: Water, Sewer and Solid Waste.

FY2014 Objectives

- Evaluate in Town options for creation of a DPW materials lay-over facility (snow storage, storm damage debris storage)
- Assist all DPW divisions with fully utilizing WebQA.
- Evaluate dispatch operations with focus on a customer DPW call center, a Town wide customer call center, or a Dial-311 municipal call center.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Public Works				
Personnel Services	2,009,123	2,395,614	2,562,008	
Expenses	6,048,160	5,175,516	5,513,400	
Total	8,057,283	7,571,130	8,075,408	-

Budget Statement

The Administration Department Personnel Services are up \$21,411. This increase is due to an increase in the Pay and Classification Plan and a reduction in the Water and Sewer Fund Offset.

The Expense budget remains unchanged from FY13.

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Public Works				
Managerial	7	7	7	
Clerical	4.5	4	4	
Professional/Technical	4	4.5	5.18	
Public Works	45.6	45.6	44.6	
Total	61.1	61.1	60.78	



Major Accomplishments for 2012

- Developed and awarded new Solid Waste Collection contract with a goal to significantly reduce solid waste disposal costs and increase recycling rates.
- Hired part time Recycling Coordinator
- Provided oversight during the design process for the Mass Ave Route 60 Intersection Improvements (CLAMP) project
- Updated usage and financial projection spreadsheet and completed a comprehensive projection on the financial health of the Water/Sewer Enterprise Fund.
- Held two Community Collection Days to promote recycling and reuse.
- Continued to pursue 3 million dollar grant from FEMA for use in reducing flood events along the Mill Brook.
- Prepared application for FEMA reimbursements resulting from October Snow Storm.
- Oversaw contracted aquatic weed harvesting contract in Spy Pond and the Arlington Reservoir.
- Managed contracted curbside collection and disposal of 14,200 tons of solid waste.
- Managed contracted curbside collection and disposal of 2,380 tons of yard waste for composting.
- Managed contracted curbside collection and disposal of 4,650 tons of recyclables.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Administration				
Purchase Orders Processed	1,446	1,475	1,500	1,525
Water/Sewer bills generated	24,874	25,062	25,262	25,462
Citizen inquiries	33,000 est	33,000 est	33,000 est	33,000 est

PROGRAM COSTS

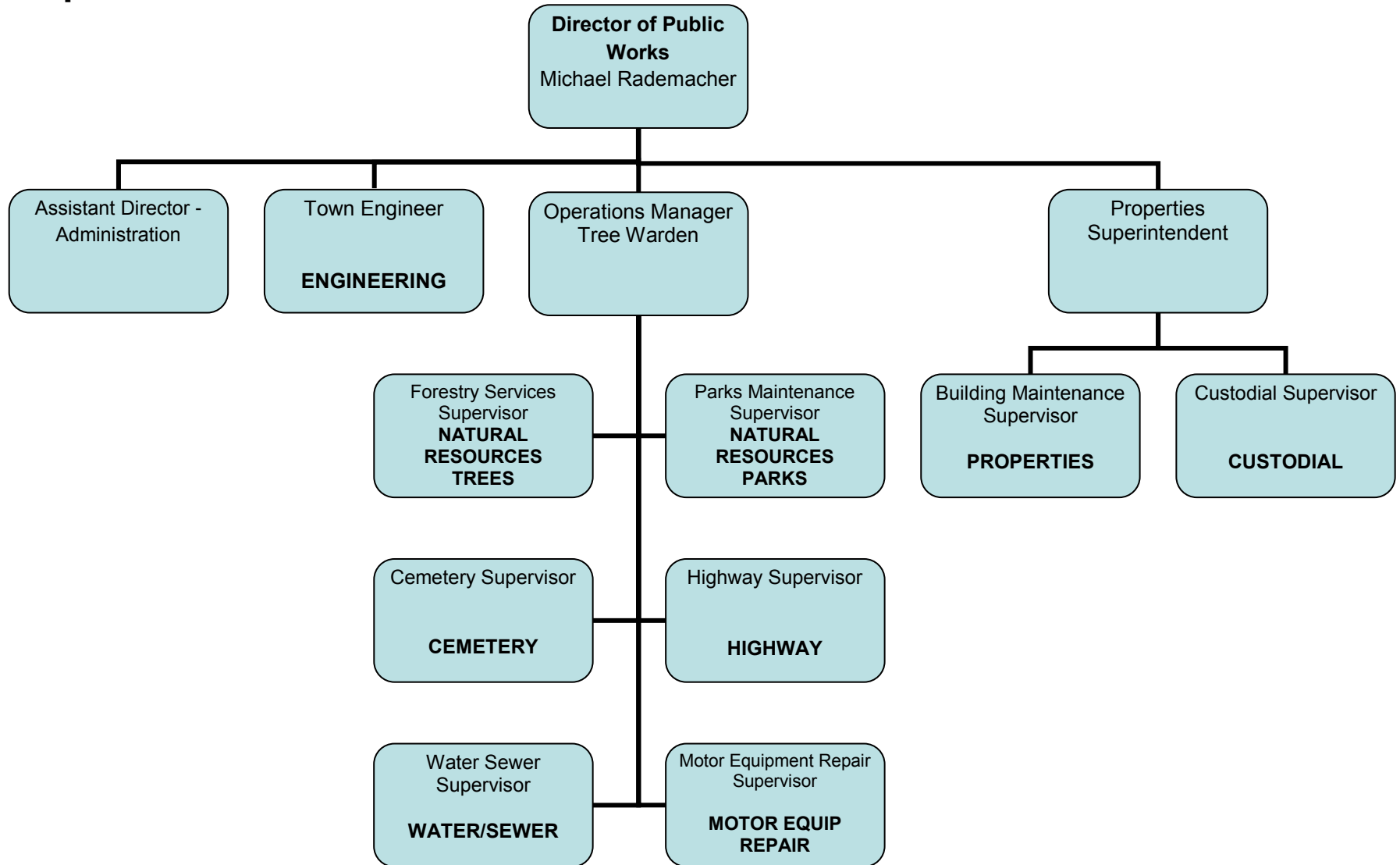
Public Works Administration	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	164,654	209,266	230,677	
Expenses	15,118	23,400	23,400	
Total	179,772	232,666	254,077	-

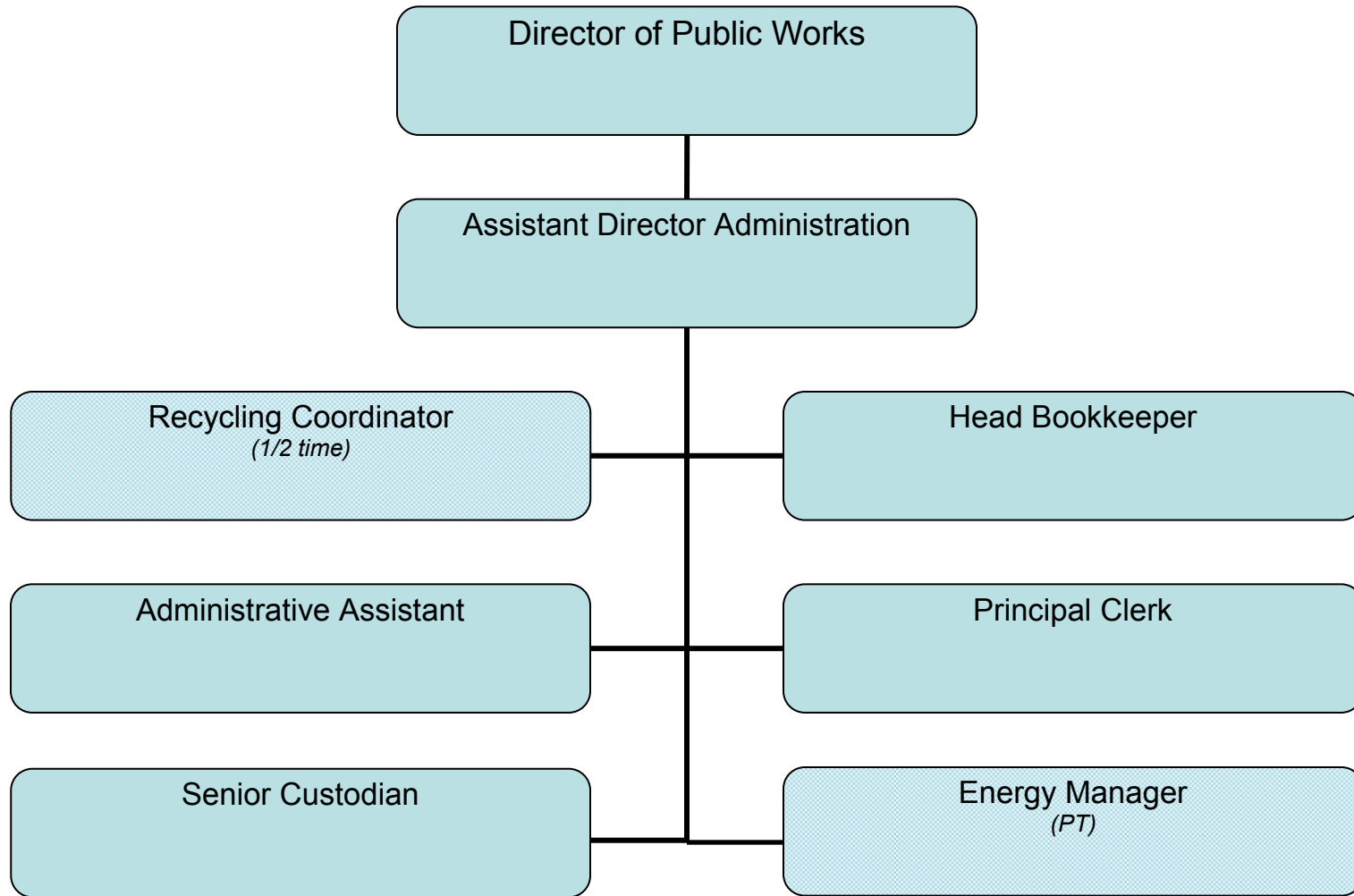
STAFFING

Public Works Administration	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	2	2	2	
Clerical	3.5	3	3	
Professional/Technical	0	0.5	1.18	
Custodial / Bldg. Maint.	1	1	1	
Total	6.5	6.5	7.18	



Department of Public Works







Program Description

The Engineering Division has the following responsibilities:

- Coordination and preparation of technical designs, engineering plans and specifications for municipal infrastructure improvements.
- Oversee contracted construction projects including reviewing and processing of invoice payments.
- Inspection for construction quality assurance within public properties and roadways including inspection of the trench and property restoration work by private contractors and other utilities.
- Record keeping and plan updating for Town roadways, sidewalks, water/sewer lines and parks.
- Technical support and construction oversight assistance for the Department of Public Works and other Town Departments, including the Planning/Community Development and Recreation Departments.
- Overseeing and managing Traffic Signals Maintenance Contractor.
- Reviewing, preparing reports on, and regulating the impact of private developments on our water/sewer and stormwater utilities, roadways, sidewalks and other Town assets.
- Performing private way improvement cost estimates and assisting the Selectmen's Office with the betterment process.

Budget Statement

Departmental Personnel Services is up by \$13,008 due to step increases and an increase in the Pay and Classification Plan.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Engineering				
Personnel Services	73,706	106,172	123,150	
Expenses	13,839	14,300	14,300	
Total	87,545	120,472	137,450	-

FY2014 Objectives

- Maintain Pavement Management System and develop criteria for improved capital planning.
- Prepare and coordinate 5 year capital improvement plan for roadways, water and sewer, and stormwater infrastructure improvements.
- Prepare construction specifications and contract documents, coordinate, supervise and monitor annual construction projects: water rehabilitation, sewer rehabilitation, roadway and stormwater improvements.
- Oversee and coordinate environmental quality monitoring, compliance requirements and implement efficient and effective measures and controls.
- Continue the Stormwater Awareness Series to provide outreach and educational opportunities to residents regarding issues pertaining to stormwater runoff, water quality, erosion and flood control etc. as required by the Stormwater Management Program.
- Increase coordination between DPW & GIS to plan, develop, and identify areas for monitoring and tracking infrastructure improvements, permit tracking, environmental compliance and infrastructure inventory collection and assessment data.
- Maintain and coordinate traffic signal equipment data including updating records for signal timing & sequence data and pedestrian crossing cycles.
- Update sewer pump stations to include installation of telemetry units to collect station pump data and provide staff with real-time emergency notification and updates.
- Provide permitting and regulatory updates as required for the EPA NPDES MS4 permit as well as coordinating the inspection and updates for the Arlington Reservoir Dam and Emergency Action Plan to the Massachusetts Office of Dam Safety.
- Review and update existing water and sewer ordinances to current requirements and standards.
- Review existing storm water regulations and bylaws to ensure compliance with current EPA requirements and develop if necessary additional criteria and standards for consideration to improve and update the current improved requirements.

STAFFING

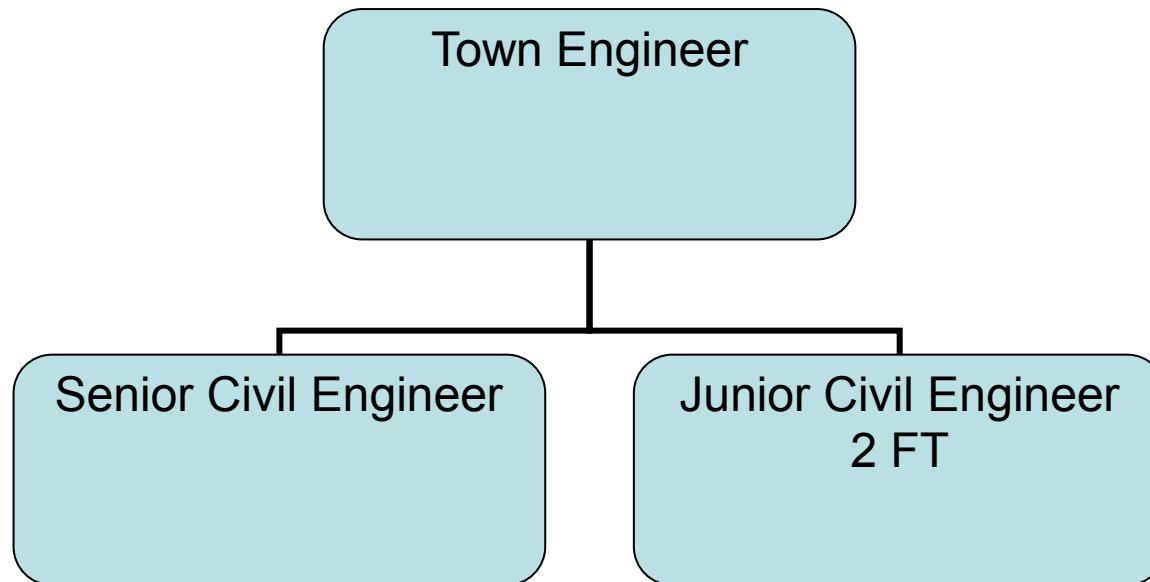
	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Engineering				
Managerial				
Clerical				
Professional/Technical	4	4	4	
Public Works				
Total	4	4	4	



Major Accomplishments for 2012

- Provided technical support to several projects of the Transportation Advisory Committee.
- Monitored and coordinated completion of the Forest Street reconstruction project. (\$1.5 M in Federal-ARRA grant funding).with MassDOT.
- Reviewed and updated procedures for managing utility trench repairs, street permitting and tracking of necessary repairs.
- Continued to develop a town-wide inventory of sidewalk ramps and locations where sidewalk ramps are needed.
- Oversaw and coordinated development of a 10 year capital improvement plan for water distribution system.
- Oversaw the development of specifications, contract preparation and construction for the 2011 Capital Improvement projects including:
 - handicap ramp program (\$190,000)
 - roadway re-surfacing improvements (\$1,500,000)
 - sewer rehabilitation services (\$1,500,000)
 - water rehabilitation (\$650,000)
 - collaborate with EPA to construct a porous pavement parking lot at Hurd Field (\$250,000)
- Increased communication and outreach to residents and abutters for major construction projects including email notices, flyer notifications, web alerts, vehicle message board and project web updates etc.
- Oversaw construction administration services, design services and investigation of the Sanitary Sewer Inflow and Infiltration Improvement Program.
- Updated EPA NPDES MS4 permit and the Arlington Reservoir Dam and Emergency Action Plan.

Performance / Workload Indicators				
Engineering - Contracted work-Linear Feet	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Roadways Rehabbed/Paved	25,500	17,640	25,000	25,000
Sidewalks replaced	1,950	2,116	2,000	2,000
Granite Curb- Placed or Replaced	1,275	1,359	1,250	1,250





Program Description

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

Budget Statement

Personnel Services have increased \$7,064 due to changes in the Pay and Classification Plan.

The request for Operating Expenses remains unchanged from FY13.

FY2014 Objectives

- Replacement of entire Cemetery water system.
- Continued oversight of the grounds maintenance contract
- Investigation of a Chapel repair & renovation project.
- Continued pursuit of cemetery expansion including grave sites and columbariums.
- Assign numbers to new gravesites.
- Pursue green burials.
- Continuation of stone repair and restoration.
- Continued work on CAD mapping of burial plots and a GIS Database for all records.

PROGRAM COSTS

Cemetery	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	63,372	61,761	68,825	
Expenses	129,865	155,800	155,800	
Total	193,237	217,561	224,625	-

STAFFING

Cemetery	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial				
Clerical	1	1	1	
Professional/Technical				
Public Works	2.6	2.6	2.6	
Total	3.6	3.6	3.6	

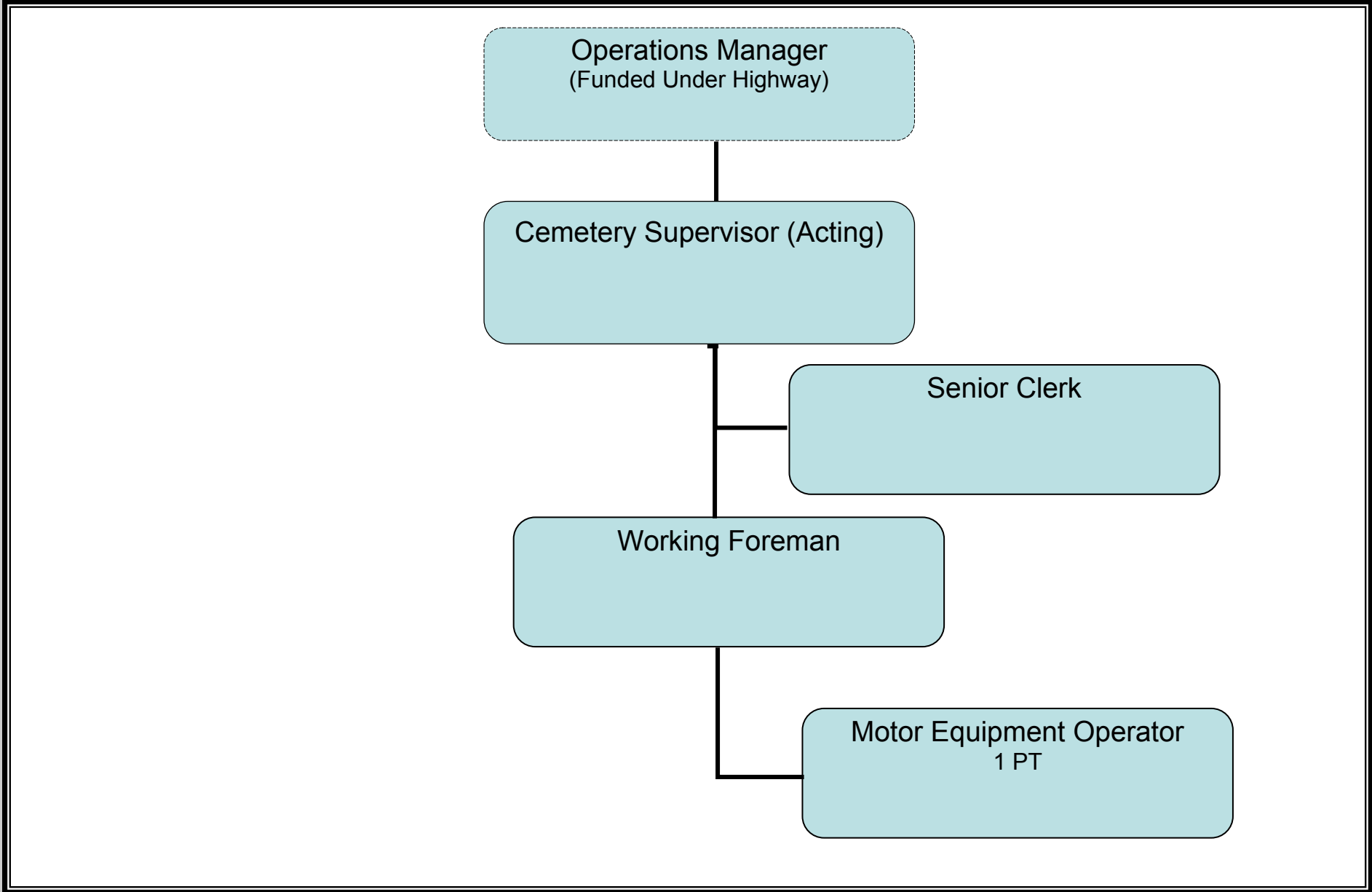


Major Accomplishments for 2012

- Preliminary work was completed on converting grave site records to GIS system
- Performed 239 total internments.
- Continued program of cleaning old stones and monuments in Mt. Pleasant Cemetery
- Was active member of Cemetery Expansion Committee to bring cemetery expansion to Cooke's Hollow.

Performance / Workload Indicators

<i>Cemetery</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
New Grave Sales	65	28	60	60
Funeral		239	225	225
Excavations/Closures	235			
Funeral Resorations	185	95	200	200
Loam & Seed - Areas restored	161	176	180	180
Headstones Straightened	143	80	200	200
Restore/Place markers	111	35	200	200
Foundations		8	15	15
Repaired/Constructed	6			
Flowers / Bushes - Areas Planted	63	5	75	75
Chapel Cleanings	52	52	52	52





Program Description

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

The Tree Division is responsible for the management, care and maintenance of more than 19,000 public trees.

FY2013 Objectives

- Work to significantly reduce backlog of tree related work orders. Funds set aside to assist with this have been eradicated in the past few years due to significant weather events. Most recently being the Microburst in July 2012 and Tropical Storm Sandy in October 2012.
- Continued progress in utilizing WebQA for work order requests.

Budget Statement

Personnel Services are up by \$18,055 due primarily to an increase in the Pay and Classification Plan.

The request for Operation Expenses has been increased by \$40,000. Over the course of the past few years, severe weather has resulted in significant tree loss Town wide. The requested increase is intended to allow for an expanded tree planting program.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Natural Resources				
Personnel Services	724,989	942,554	960,609	
Expenses	346,386	275,400	315,400	
Total	1,071,375	1,217,954	1,276,009	-

STAFFING

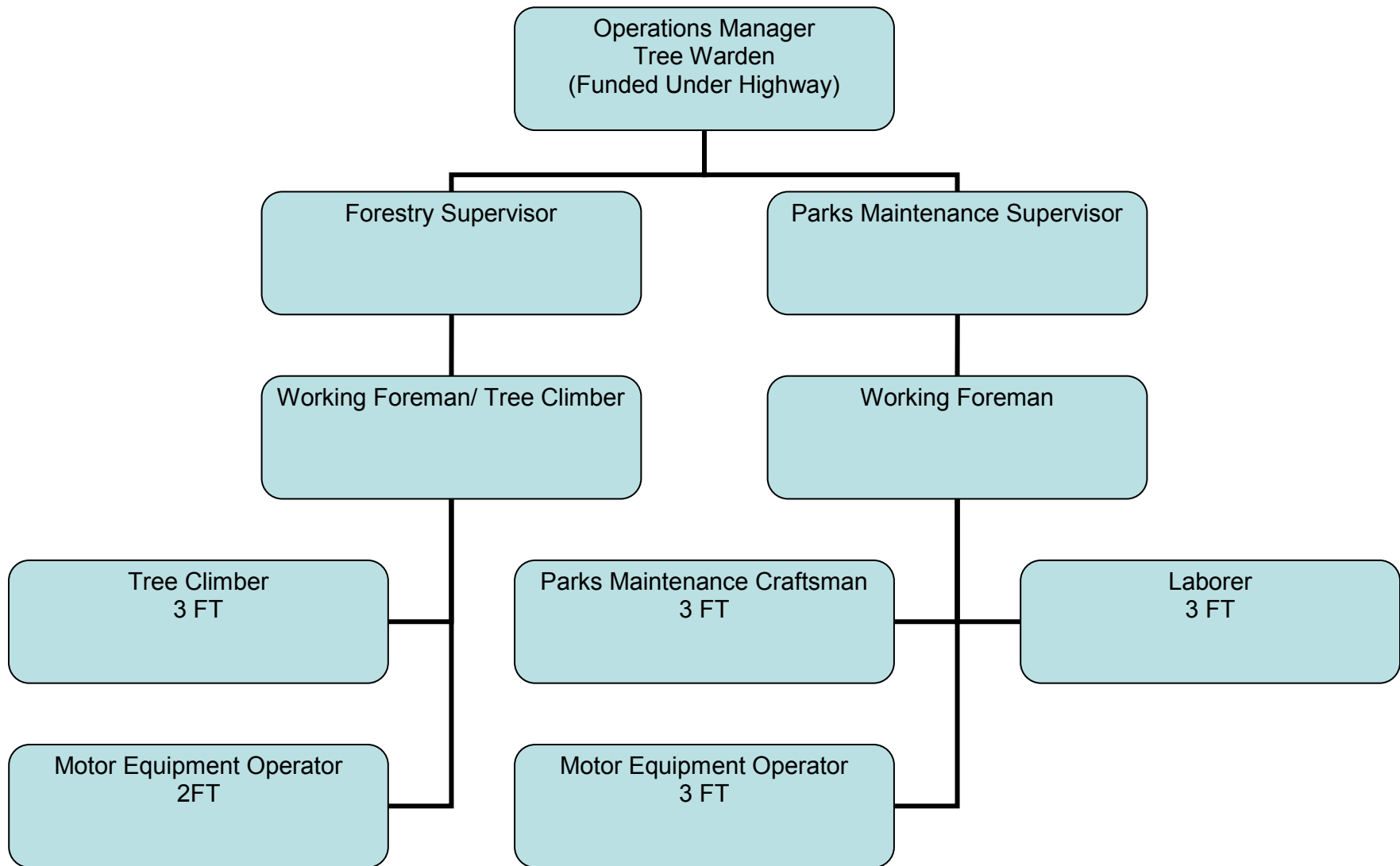
	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Natural Resources				
Managerial	2	2	2	
Clerical				
Professional/Technical				
Public Works	16	16	16	
Total	18	18	18	



Major Accomplishments for 2012

- Maintained approximately 19,000 shade trees town wide
- Planted 125 trees.
- Installed approximately 2,000 holiday lights
- Maintained “Tree City USA” designation from the National Arbor Day foundation.
- Removed 400 trees (due largely to the microburst and “Sandy”)
- Continue to put a priority on prompt graffiti removals.
- Responded to microburst (significant tree damage).
- Responded to Hurricane Sandy (significant tree damage).

Performance / Workload Indicators				
	FY2011	FY2012	FY2013	FY2014
<i>Natural Resources</i>	Actual	Actual	Estimated	Estimated
Trees Planted	90	125	125	220
Trees Removed	75	400	225	175
Stumps Removed	75	160	200	200
8 Large Parks Maintained (acres)	66.3	66.3	66.3	66.3
16 Small Parks / Public Spaces (acres)	20.5	20.5	20.5	20.5
20 Landscaped Traffic Islands	1.8	1.8	1.8	1.8





Program Description

The Properties Division of the Department of Public works is responsible for maintaining all Town and School Buildings. This includes 7 Elementary Schools, a Middle School, a High School, the Robbins Library, Town Hall, four DPW Buildings, three Fire Stations, the Mt. Pleasant Cemetery chapel and garage, the Whittemore-Robbins House, the Fox Library, Parmenter, Gibbs and Central Schools, the Jefferson-Cutter, Jarvis and Mt. Gilboa houses, the Reservoir Beach House and the Spy Pond Field house. The staff of craftsmen and custodians are budgeted for by the School Department but when the craftsmen work on other municipal buildings they back charge the appropriate department. The Properties budget of the DPW purchases supplies and contracted services for the Town Hall, DPW Yard buildings, Fox Library and Jarvis and Mt. Gilboa houses.

Budget Statement

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

The request for Operations Expenses is down by \$7,300. This is primarily due to a reduction in the request in the Electricity budget. Recent facility upgrades are projected to result in energy efficiencies.

FY2014 Objectives

- Assistance with the replacement of the Mill Brook Culvert beneath the High School Parking Lot.
- Paint and repair Town Hall windows.
- Improvements to Town Hall Auditorium Lighting.
- Continued development of 20-year capital improvements planning for all of the significant Town Buildings.
- Evaluate options for the rehabilitation of the Spy Pond Field bleachers and stairs.
- Evaluation of cemetery chapel building needs.
- Replacement of remaining Fox Library windows not yet updated.

Major Accomplishments for 2012

- Installed ceiling heaters at DPW garage.
- Oversaw the contracted repair of areas of the DPW garage roof. Insulated panels and rubber roof installed to replace failing clay tiles. Final roofing can be placed over this current repair.
- Installed new Fire Panel at Town Yard.
- Performed Town wide painting.
- Provided assistance to numerous Town Department for building maintenance.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Properties				
Personnel Services				
Expenses	228,664	270,000	262,700	
Total	228,664	270,000	262,700	-



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.

Budget Statement

The request for Highway expenses is up by \$291,184. The majority of this increase is due to a \$236,000 reduction in available Tip Fee Offset Funds. Also included in the increase is additional funding for the Materials Budget of \$54,184 and an increase in the Solid Waste expenses of \$31,000. The Materials Budget increase is requested to bring the funding in line with past expenditures. Solid waste increases are necessary to cover the scheduled 2% increase in the collection contract. Reductions in solid waste disposal costs are expected as a result of the recent changes to the Town Solid Waste collection services but the value of these savings are not fully known at this point in time. As a result, estimates for solid waste disposal costs are essentially being held level.

Personnel Services are up by \$103,329. This is due to an increase in the Pay and Classification Plan as well as a reduction in the Water and Sewer Fund Offset.

FY2014 Objectives

- Continued timely response to resident initiated work requests.
- Maintain an high level of sidewalks replaced/repaired.
- Assist with development of a 5-year schedule for specific Highway Improvements, Chap-90 projects, and sidewalk replacements; and post it on the Town Website.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Highway				
Personnel Services	764,110	813,178	916,704	
Expenses	4,307,620	3,637,616	3,928,800	
Snow and Ice Removal	549,561	700,000	700,000	
Total	5,621,291	5,150,794	5,545,504	-

STAFFING

Highway	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	2	2	2	
Clerical				
Professional/Technical				
Public Works	21	21	20	
Total	23	23	22	

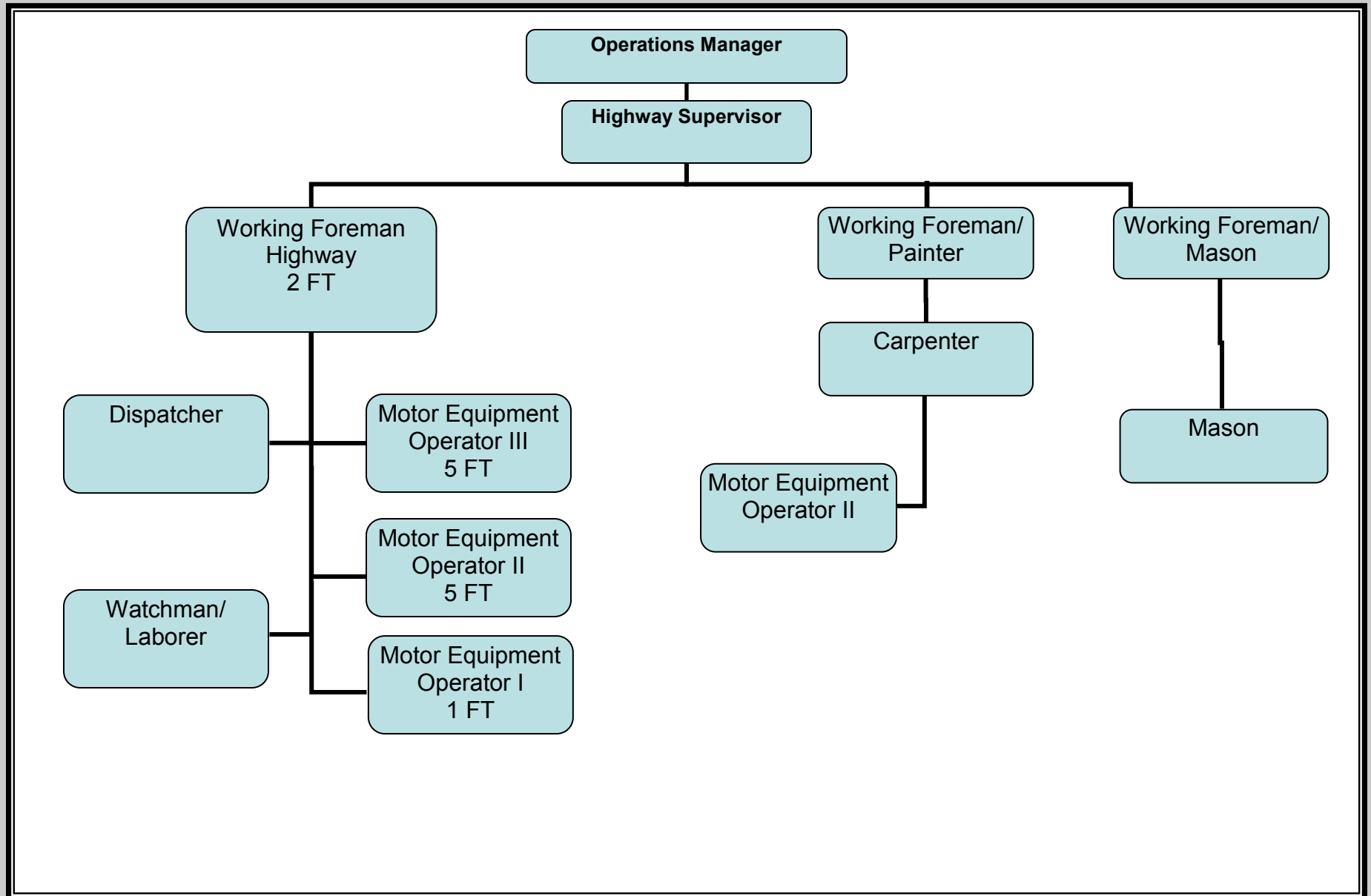


Major Accomplishments for 2012

- Cleaned 835± catch basins in the town streets.
- Swept the streets in all sections of the Town twice with department personnel
- Replaced over 5,054 linear feet of concrete sidewalk (increase of over 3,000 lf from FY11)
- Replaced over 2,392 linear feet of asphalt sidewalk (increase of over 1,000 lf from FY11)
- Repaired/replaced 60 catch basins
- Responded to 10 snow events totaling approximately 16 inches of accumulation
- Rebuild Reservoir shoreline after weed harvesting (also performed necessary Reservoir parking lot repairs due to project)
- Spread and graded 300 tons sand on Reservoir Beach as well as dug out and repaired 300 feet of stone dust path at Reservoir
- Stabilized and repaired retaining wall at Water Mill Place on Lowell Street
- Constructed 24' x 24' stage for Town Day event
- Repaired guardrail on Westminister Ave.
- Installed bike racks at various locations in town
- Picked up and delivered donated food at Lahey Burlington and move it in to the food pantry
- Delivered tax bills to post office for Treasurer's Office
- Responded to microburst (downed trees) three weeks
- Responded to Hurricane Sandy (downed trees) four weeks

Performance / Workload Indicators

	FY2011	FY2012	FY2013	FY2014
<i>Highway</i>	Actual	Actual	Estimated	Estimated
Solid Waste (tons)				
Solid Waste	14,535	14,214	13,500	13,000
Yard Waste	2,332	2,381	2,400	2,500
Recyclables	4,395	4,652	4,800	5,000
Patch Potholes	1000±	1,360	1,250	1,250
Sidewalk Patching	173	242	225	225
Repair CB's / Manholes	68	71	70	70
Clean Catch Basins	635	835	850	850
Install / Repair Street Signs	160	207	200	200
Make Specialty Signs	110	108	100	100
Pave Trenches	244	223	225	225
Sidewalk Replacements	2703^	7446	7250	7250
Curb Work	400	525	500	500
Traffic Lines - 24"	42080	44068	42500	42500
Traffic Lines - 12"	6012	6190	6000	6000
Traffic Lines - 4"	220190*	10640	10000	10000
Traffic Painted Symbols	128	151	125	125
Plowing/Sanding Storms	8	5	7	7
Sanding Only Storms	16	5	15	15
Inches of Snow	95	16	46	46





Program Description

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

Budget Statement

Personnel Services are up \$11,254 due to step increases and an increase in the Pay and Classification Plan.

The proposed budget for Expenses is up \$14,000. The increase is requested to allow for increased contracting of specialized equipment repair and to bring the Contracted Services and Materials budgets in line with historical trends.

FY2014 Objectives

FY14 Objectives are similar to those of FY13 as these are ongoing continual efforts:

- Improve Work Order operations through use of WebQA for internal scheduling of repairs.
- Improve Vehicle Maintenance operations expenditure accounting.
- Evaluate and improve preventative maintenance scheduling and maintenance record keeping.
- Conduct a study of vehicle usage to determine
 - a) where cost effective fleet reductions could be made and
 - b) if we have the most beneficial functional options.
- Improve Shop/Building organization.

Major Accomplishments for 2012

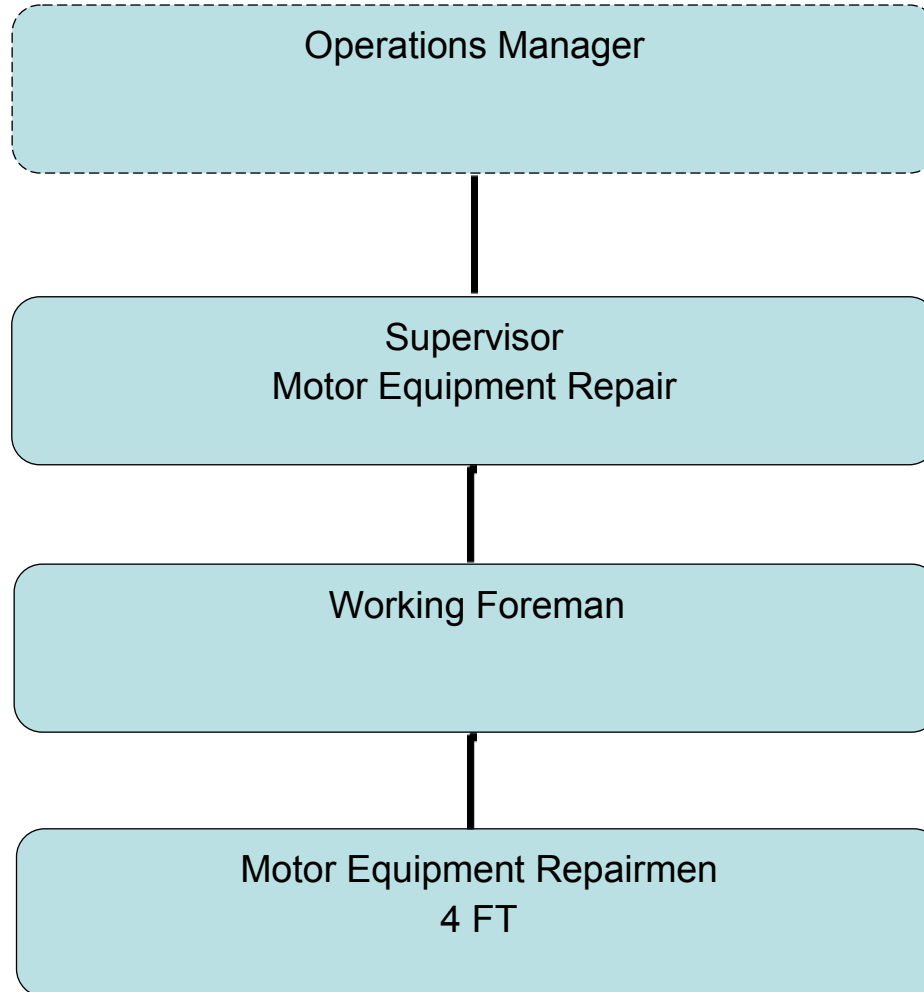
- Provided preventative maintenance and repairs on 150 motor vehicles, including vehicles assigned to the other Town departments.
- Provided staff to Community Safety repair shop as needed.
- Maintained snow and ice vehicles during events.
- Replaced vehicles and equipment: Asphalt Road Patch Heater, Multi-Purpose Tractor (Parks) and 33,000 GVW Truck.

PROGRAM COSTS

Motor Equipment Repair	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	218,292	262,683	262,043	
Expenses	192,515	99,000	113,000	
Total	367,232	361,683	375,043	-

STAFFING

Motor Equipment Repair	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical				
Professional/Technical				
Public Works	5	5	5	
Total	6	6	6	





Program Description

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

Major Accomplishments for 2012

- Completed the first phase of the Town's LED streetlight conversion program. The first phase of the program updated approximately a third of the Town's current High Pressure Sodium (HPS) streetlights to Light Emitting Diode (LED) streetlight technology.

Budget Statement

The Street Lighting budget is reduced by \$53,000. Final conversion of all the Town's streetlights is expected to result in further energy and maintenance savings.

PROGRAM COSTS

Street Lights/ Traffic Controls/ Fire Alarm System	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services				
Expenses	264,592	316,700	253,700	
Total	264,592	316,700	253,700	-

FY2014 Objectives

- Continued work in the oversight of conversion from High Pressure Sodium street lights to LED, Town wide.
- Conduct a through inventory of all traffic signal equipment and timing sequences (Engineering Dept to oversee).
- Continue to monitor double pole eliminations by the six primary utilities and facilitate a timelier turn-around time.



COMMUNITY SAFETY

POLICE • FIRE • SUPPORT SERVICES •
INSPECTIONAL SERVICES



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.
- Collaborate with community stakeholders to creatively address quality of life concerns and the fear of crime.
- The protection of the individual rights of all persons within the Town of Arlington.

The Police Mission:

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

Our Values:

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

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

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

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Police				
Personnel Services	5,112,288	5,651,822	6,599,872	
Expenses	658,371	576,900	599,450	
Total	5,770,658	6,228,722	7,199,322	

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Police				
Chiefs			1	
Captains	3	3	3	
Lieutenants	8	6	6	
Sergeants	9	9	9	
Police Officers	47	47	47	
Parking Control Officers	2.2	1.5	2.36	
Animal Control Officer	1	1	1	
Dispatchers	-	-	10	
Clerical	-	-	4.31	
Custodial	1.71	3.31	1	
Total	71.91	70.81	83.67	

FY2014 Community Safety Budget Reorganization

In FY2014, the Community Safety Administration and Support budgets will be divided and integrated into the Police and Fire Department budgets. The purpose of the reorganization is to better align resources and responsibilities with the appropriate authority. The Fire Chief and the Administrative Assistant to the Fire Chief will be moved from the Administration budget to the Fire Department budget. In addition, the two mechanics currently under the Support budget will be moved to the Fire Department Budget.

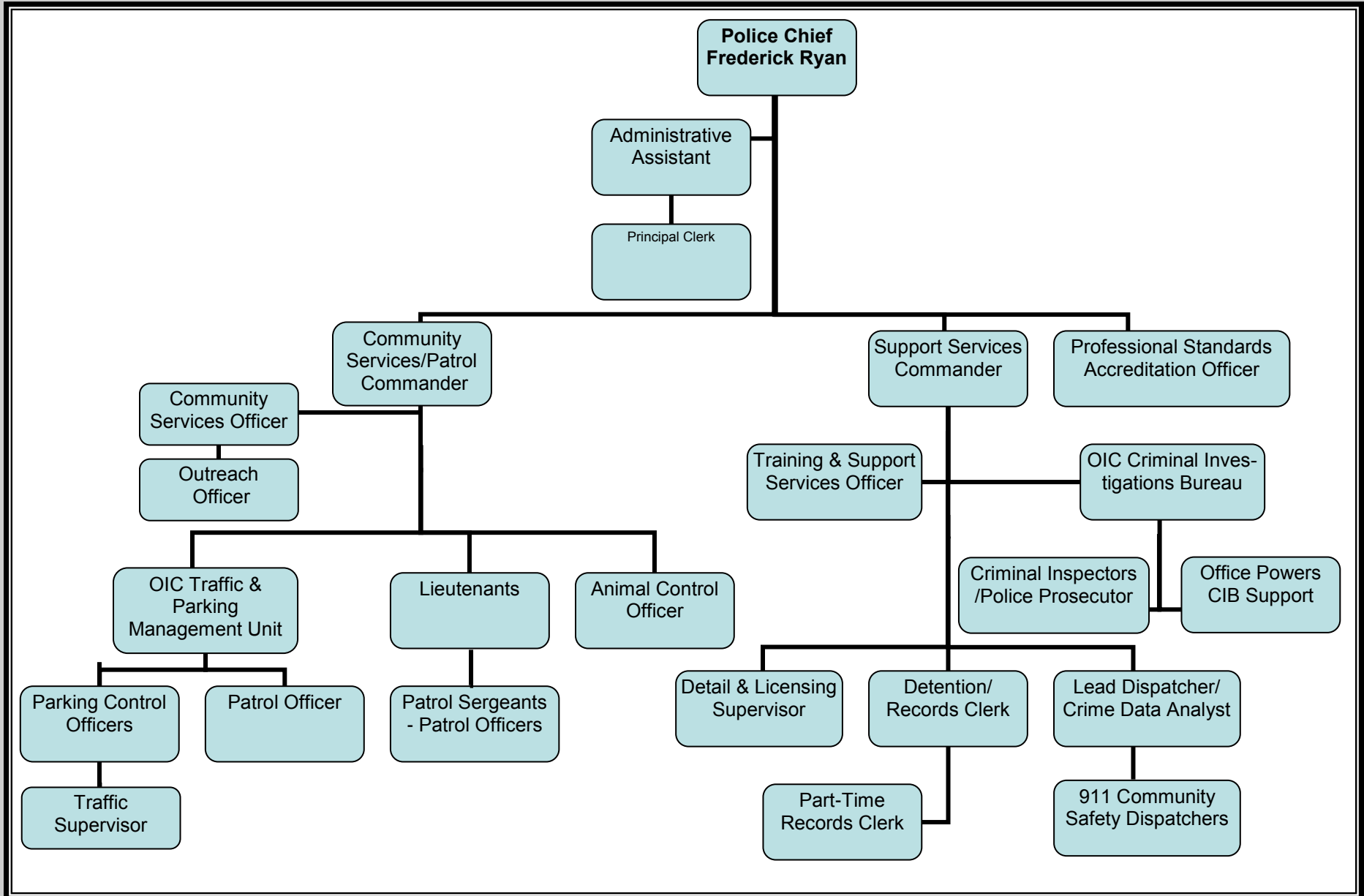
The Police Chief and the two administrative staff currently in the Administration budget will be moved to the Police budget. Moving forward, the Police budget will also include the dispatch staff currently under the Support budget.



Budget Statement

The Department consists of the following divisions and work units:

- The Support Services Division maintains information technology & criminal/police records, oversees training, maintains facilities, maintains the fleet, licensing (gun & hackney) and acquires and distributes uniforms, equipment, and supplies.
- The Community Services Division (Patrol) 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 criminal investigators and first responders to all critical incidents.
- The Professional Standards & Accreditation unit is responsible for the Police Accreditation function, special investigations, internal investigations, and for the development and implementation of departmental rules & regulations.
- The Criminal Investigation Bureau is responsible for the follow up investigation of all crimes, the sex offender registry, police prosecutions at district and juvenile court, school resource officer, drug task force, family services, and code enforcement.
- The Community Policing/Services Unit is responsible for administering all programs aimed at developing partnerships in the community.
- The Traffic and Parking Unit is responsible for safety education and enforcement of all laws relating to traffic and parking within the Town.
- Animal Control Officer enforces all laws relating to control of animals, investigates animal bites, quarantines offending pets, and delivers pet safety programs.
- The Jail Diversion Program/Hoarding Response Team pairs a mental health clinician with a police officer to co-respond to mental health emergencies in the community. The Jail Diversion clinician assesses non-violent individuals in crisis and refers to all levels of treatment and links individuals and families to community resources.





FY2014 Objectives

- Promote, preserve and deliver quality police services and to ensure the safety of all members of the community.
- Expand upon community partnerships and engage in effective problem solving with the ongoing goal of excellent customer service.
- Continue to use innovative and intelligence-led data driven policing to reduce crime, fear of crime, and increase quality of life for residents.
- Maintain staffing levels to provide proactive quality policing services to the community.
- Implement COMSTAT (Computer Statistics) program to ensure uniform accountability throughout the Community Services Division.
- Continue to expand upon the use of crime analysis and data driven policing to effectively deploy resources.
- Improve upon our directed enforcement program by fully implementing a structured program that will include all uniformed officers. This will include supervisory follow up, citizen feedback, and evaluation.
- Maintain a strong partnership with municipal, state, and federal law enforcement agencies.

Major Accomplishments for 2012

- Maintained CrimeReports.com to inform citizens of crime data.
- Expanded the use of data driven policing to effectively deploy valuable resources.
- Deployed personnel strategically so as to provide uniformed police patrol 24 hours per day, 365 days per year.
- Sought out and administered grants, working in partnership with the Board of Selectmen, Health and Human Resources, Public Works, Fire, School, and the local emergency planning committee.
- Expanded our partnerships and efforts to regionalize efforts with local, federal and state law enforcement agencies.
- Expanded upon the Jail Diversion program and administered the grant that funds the program.

Performance / Workload Indicators

<i>Patrol Division</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Robbery	3	12	6	9
Burglary	122	146	126	133
Rapes	3	4	3	3
Motor Vehicle Theft	24	28	9	23
Larceny				
<i>From Building</i>	72	80	72	53
<i>From Motor Vehicle</i>	196	140	165	147
<i>Of Motor Vehicle Parts</i>	5	3	3	4
<i>From Coin Op Machines</i>	-	-	-	-
<i>All others</i>	214	157	210	219
Pickpocket / Purse Snatch	6	7	6	5
Shoplifting	42	37	42	40
Assaults	191	160	201	186
Assault and Battery on a Police Officer	5	7	9	6
Criminal Arrests	228	219	273	264
Criminal Summons	191	173	171	196

Performance / Workload Indicators

<i>Dispatch</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Calls For Service	27,191	27,860	31,728	27,848



FY2014 Objectives

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

- Achieve state accreditation pursuant to the Massachusetts Police Accreditation Program.
- Update policies as required by the 5th Edition Standards as set forth by the Commission on Accreditation for Law Enforcement Agencies, Inc.
- Implement an early intervention system for the prevention of officer misconduct, thereby minimizing the need for supervisors to react to poor performance and/or misconduct.

Major Accomplishments for 2012

- Maintained accreditation certification and remained in compliance with the mandates set forth by the Massachusetts Police Accreditation Program.
- Developed standardized forms to improve the efficiency of Internal Affairs investigations.
- Trained personnel in new departmental policies and accreditation standards.
- Conducted internal investigations as needed.



FY2014 Objectives

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

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

- Institute a cross training program where members of the patrol division will serve a pre-determined term in the criminal investigations unit to gain knowledge that will assist them in investigations. The assignment will also assist in evaluating personnel for regular assignments to The Criminal Investigations Bureau.
- Continue to educate all detectives to gain the ability to be proactive in cyber-crime investigations and utilize the tools available to apprehend and convict perpetrators of these types of crime.
- Continue our commitment to the Regional Drug Task Force, Regional School Safety "S.T.A.R.S." Program and The CABHART High Risk Domestic Violence Team.
- Place a major emphasis on the training and use of successful forensic applications in the identification and apprehension of criminals through latent fingerprint and DNA technology.
- Develop a software program to better track prisoner property that is abandoned after release or transfer.
- Continue to support The United States Drug Enforcement Agency with the assignment of an Arlington Police Detective.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Firearms Licensing:				
Licenses to Carry/FID	172	184	237	277
Missing Persons Investigations	456	379	432	393
Domestic Violence	320	332	366	304
Criminal Investigations	1,988	1,731	1,779	1,812
Level 2 & 3 registered Sex Offenders monitored	18	24	24	22

Major Accomplishments for 2012

- The Criminal Investigation Bureau investigated over 2000 reports of criminal activity. They continued to partner with other NEMLEC agencies during multi-jurisdictional investigations.
- Assigned a detective to partner with The United States Drug Enforcement Agency.
- The department's family service unit worked with CABHART (Cambridge, Arlington and Belmont High Risk Assessment Response Team) to identify high risk domestic violence victims and plan for safety and services. Participated in the National Family Domestic Violence Apprehension Detail along with several surrounding communities to apprehend domestic violence offenders with outstanding arrest warrants.
- The Family Service Unit investigated over 250 domestic violence related incidents and continue its partnership with First Step to provide support and services to domestic violence victims.
- The School Resource Officer continued to partner with the school department to ensure the safety of all students.
- The detective bureau continued to assign a detective to the Suburban Middlesex County Drug Task Force and were successful in making several arrests and seizures involving heroin and cocaine



FY2014 Objectives

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

- Attempt to increase staffing of the unit to ensure that traffic enforcement is a primary function of the department.
- Provide traffic and pedestrian safety education to the elementary students within the town.
- Establish consistent staffing levels of the department's parking control officers.
- Expand the use of the Department's speed awareness monitors to assist in traffic calming in various neighborhoods.
- Actively participate as a member of the Transportation Advisory Committee. Conduct traffic studies and provide data as needed.
- Continue to work with and support the Town Manager's Office and the Board of Selectman's Office on matters involving parking, traffic and other quality of life issues affecting the community.
- Work with the School Department to oversee the Traffic Supervisors and address safety issues around the elementary schools. Work with the School Transportation Director on matters involving school bus safety.
- Participate in EOPSS Traffic Enforcement Grant Mobilizations throughout the fiscal year.
- Annual certification of all radar equipment.
- Maintain current parking ticket software licensing.

Major Accomplishments for 2012

- Conducted an enforcement program that targeted violations at high volume/incident locations that affected the quality of life within various neighborhoods. Also used data obtained from multiple traffic counts and coordinated with the Patrol Division to assist with enforcement efforts.
- Replaced the Department's non-functioning radar trailer with a newer model. Continued to work with residents to place the new trailer or portable speed awareness monitor to assist with traffic calming in various neighborhoods.
- Worked with the Selectmen's Office and the Town Counsel to develop new guidelines for special one-day alcohol licenses. Among the changes, applicants must now address traffic and pedestrian safety concerns around the venues prior to applying for their license.
- Continued to partner with and oversee the Traffic Supervisors to oversee and coordinate pedestrian safety initiatives at the elementary schools. Conducted directed patrols at various crossing as needed based on their observations.
- Continued to support and be a member of the Transportation Advisory Committee by attending monthly meetings and providing current traffic and parking data to assist with problem solving and making recommendations for improvements to the Board of Selectman.
- Had non-functioning radar units serviced. Maintained the annual calibration certification of all functioning radar equipment.
- Maintained licensing for all parking ticket writing machines and software. Repaired equipment as needed.
- Utilized an additional (temporary) Parking Control Officer during the holiday periods and summer months to address extra nighttime and weekend parking enforcement needs.
- Worked with project managers and contractors to develop a truck route for the Thompson School reconstruction.
- Worked with School Transportation to develop new school bus routes due to the closing of the Thompson School during its reconstruction.
- Continued to work with the Town Manager's Office and Selectmen's Office on matters involving parking, traffic and other quality of life issues affecting the community. Participated as a member of the Selectmen's Parking Sub-Committee.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Traffic				
Hackney Licenses Issued				
New	40	70	48	52
Parking Violators New	13,301	15,159	15,048	14,164
Moving Violations	3,996	3,976	3,453	3,790



Major Accomplishments for 2012 (cont.)

- Continued to work closely with other town departments to coordinate barricade/signage positioning for numerous special events, block parties and general traffic safety around construction sites.
- Worked with Public Works and the Town Engineering Department to locate needed parking due to several major road construction jobs including the repaving of Broadway and Hurd Field.
- Worked with Inspectional Services to streamline the process of obtaining on-street permits for dumpsters, construction trailers, and vehicles displaced by these items.
- Attended multiple training classes geared towards traffic enforcement/traffic safety. One officer also received certification to be a MPTC instructor at the police academy level.
- Received an award from AAA Southern New England for our traffic safety efforts including multiple years without a pedestrian fatality.



FY2014 Objectives

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

- Find creative means to keep our core programs strong while re-establishing programs, such as Bicycle Safety Day and R.A.D., that were lost due to lack of community policing funds from the Commonwealth.
- Provide crime deterrent and target hardening services and programs to the citizens and businesses within our community. Included in this endeavor are programs consisting of informative lectures, crime reduction programs, and outreach initiatives.
- Continue professional services to the citizens, while working to minimize the fear and negative perception associated with crime.
- Continue to meet with neighborhood groups, business owners, and property owners to address the quality of life issues that arise throughout the town.
- Expand our home and business assessments for security risks and loss prevention measures.
- Build upon the partnership with the Arlington Housing Authority and the Menotomy Manor Neighborhood Association.
- Make assessments on municipal buildings and meet with Department Heads to develop a plan to secure these building and protect property.

Performance / Workload Indicators

<i>Community Programs</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Senior Citizen Fraud Meetings	N/A	12	15	15
Neighborhood Meetings	20	30	35	35
RAD Program Graduates	N/A	N/A	N/A	N/A
Citizen Police Academy Graduates	N/A	N/A	N/A	N/A
Summer Youth Camp (HRC)	120	130	135	135
Child Passenger Safety Seat Inspections	N/A	N/A	N/A	N/A

Major Accomplishments for 2012

- Continued partnership with the Germaine Lawrence School and all other group homes in town.
- Attended over thirty (30) crime prevention/neighborhood meetings.
- Monitored Q.E.D for cases requiring follow-up.
- Organized "National Night Out," held at Menotomy Manor and attended by well over 500 individuals. This event has proven to be an effective and enjoyable program that promotes neighborhood spirit and police-community partnerships.
- Investigated forty-five (45) graffiti related incidents and followed through with enforcement with By-Law violations when necessary.
- Investigated all cases of Missing Persons.
- Coordinated over 15 meetings with seniors to provide education on identity theft.



FY2014 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 hot spots an going process.
- Increase visibility, which will result in the voluntary compliance and action of residents to license their canines per the Town by-Laws an ongoing process.
- Work with the Town Clerks Office in regards to the new Canine By-Laws regarding late fees for failure to license canines.
- Work with Town Clerk and Town Legal Department to review new M.G.L chapter 140 regarding changes to Town By-Laws and additional record keeping now required.
- Build a relationship with a local feline organization to assist with the issues of roadside death of felines and abandoned felines.
- Improve and maintain office space.
- Provide information to residents as to locations where coyotes and foxes are seen frequently.
- Work to increase canines licensed in the community.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Animal Complaints	630	555	648	498
Humans Bitten/Scratched by Dogs	26	29	42	27

Major Accomplishments for 2012

- Maintained and enhanced working partnerships with other Animal Control Officers in surrounding cities and towns.
- Hot spots identified for injured/deceased felines as Summer Street and Park Ave.
- The licensing of canines has increased by 75 new licensed canines totaling 1776.
- Continued and enhanced our partnership with the Board of Health and other town departments.
- Worked with the Recreation Department in regards to the off leash areas/hours within the parks.
- Worked with the Boston Animal Rescue League to place surrendered animals.
- Continued presence in the parks and recreation areas in Town.



FY2014 Objectives

Jail Diversion Program/Hoarding Response

- Co-respond with patrol officers to provide crisis intervention and evaluations to Arlington residents in crisis situations.
- Work cooperatively and expand services and relationships with The Arlington Health and Human Services Department, Arlington Council on Aging, Arlington Youth Counseling Center, Arlington Health and Safety Coalition, Arlington Public Schools, Arlington Fire Department, The Department of Children and Families and the Arlington Housing Authority.
- Enhance and build relationships with the 43 group homes in Arlington.
- Monitor QED for cases needing follow-up that may not have been flagged or referred.
- Provide training to outside agencies on the use of the JDP.
- Enhance partnership with the Community Outreach Officer to assist in sorting out conflicts between residents in Arlington.
- Provide mental health training to the officers at the APD. Specifically Mental Health First Aid, and presentations regarding Veterans' issues and a presentation focusing on first responders considering best practices when encountering children on the autism spectrum. The department will also have the Mind-storm presentation. This powerful training presentation simulates what it feels like to experience hallucinations and educates officers on effective de-escalation strategies when encountering persons in crisis.
- Be available to assist officers with walk-in clients who are in need of urgent mental health services.
- Respond to the Arlington Public Schools to provide crisis assessment, crisis counseling, outside referral and involuntary commitments to hospitals as needed.
- Provide involuntary commitments in the community as needed.
- Secure operating funds to operate the Hoarding Response Team. The Response Team is not financed by the JDP DMH grant. Separate funding must be provided to ensure the Team continues with its mission to support residents throughout the clean out process, provide needed referrals and to ensure future health and safety compliance.
- Provide alternatives to arrest for police officers managing persons suffering from mental health issues.

Major Accomplishments for 2012

- Using grant funds, the police department based mental clinician continues to support town staff (police, fire, schools, public health, etc.) in managing cases involving mental health issues.
- Provided one-on-one mental health assessment training to officers as we co-responded on cases.
- Processed cases with police officers following routine and non-traditional cases.
- Provided weekly mental health information and tips through the bulletin system read by all police officers.
- Attended roll call to continue to build relationships and ensure officers will remember to call clinician when needed.
- Attended weekly staff meeting led by the Chief of Police to keep updated on events and issues in the department and community.
- JDP built strong relationships with the public school nurses, guidance counselors, SRO, principals, asst. principals, truancy officer and Juvenile Diversion Program director. The JDP clinician has also participated in the Restorative Justice Program.
- The JDP was given difficult cases by Senior Services social worker, The Health Department and Arlington Housing Authority. The JDP clinician was able to resolve these situations.
- The JDP partnered with Arlington Health and Human Service Department and formed a first ever Hoarding Response Team in 2011. Experts in the field trained the Hoarding Response Team and the team has work with 24 homes/families. The team was able to help a resident be chosen to be on the TLC cable show Hoarders: Buried Alive. The network paid for the clean out and repairs of the condemned home, without this help the resident would have lost her home. The work of the team was highlighted in a television segment on WCVB news.
- The JDP clinician built solid relationships with both the School Resource Officer and Community Outreach Officer. These collaborations based on mutual respect and trust have proven invaluable when working together to help our community.
- On average the JDP clinician manages 35 cases per month.
- The JDP clinician was awarded the Civilian Award by the Arlington Police Department.



Program Description

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

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

Budget Statement (cont.)

Performance Indicators show a decrease in emergency calls of 6% from FY 2011 to FY 2012 and a 5% increase from FY 2012 to FY 2013. It is estimated that the number of total emergency calls will increase 1% from FY 2013 to FY 2014. Performance Indicators show a decrease in Rescue calls of 8% from FY 2011 to FY 2012 and a 15% increase from FY 2012 to FY 2013. It is estimated that the number of total Rescue calls will increase 6% from FY 2013 to FY 2014.

An expansion of the Arlington Fire Department Emergency Medical Service to include Advanced Life Support and a full time second ambulance will bring in additional revenues to the town general fund and meet the increasing demands on our Emergency Medical Service.

Budget Statement

The budget for FY 2014 is, essentially, a level service budget.

The fire department is currently staffed at 75 personnel. It is budgeted for 76 personnel. There are 74 personnel assigned to suppression duty and 2 assigned to staff duty. The FY 2014 budget will be changed to reflect a re-organization of the Community Safety budget. The sections of the CS budget that cover Administration and Support will be divided into the current Fire and Police Budget. The Chief of Fire Department is listed in the Community Safety Administration budget and will be moved into the Fire budget. The Administrative Assistant to the Fire Chief will also be moved into the Fire Budget. The two mechanics currently under the Support budget will be moved to the Fire budget. This will increase the Fire budget from 76 total personnel to 80. There will be no increase in the Fire or Police budgets from these changes it will just be a re-assigning of Personnel and will eliminate the Administration and Support of the CS budget.

We anticipate 1 to 3 retirements by end of FY 2013. Three personnel have spent a significant portion of FY 2013 on job related injury leave. These injuries have impacted the department significantly in terms of staffing and budget.

PROGRAM COSTS

Fire	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	5,152,705	5,465,988	6,028,896	
Expenses	348,424	393,051	400,550	
Total	5,501,129	5,859,039	6,429,446	-

STAFFING

Fire	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Chiefs			1	
Deputy Chiefs	5	5	5	
Captains	6	6	6	
Lieutenants	15	15	15	
Firefighters	50	50	50	
Professional/Technical			2	
Clerical			1	
Total	76	76	80	



FY2014 Objectives

- Formulate a 5 – 10 year plan related to the reorganization and structure of Fire Department. Increasing demand for Fire Prevention, Training, Inspections and Education has strained the current staff. With minimal personnel on line it is difficult to increase staff without negatively affecting the line personnel.
- Assess the benefit of an Arlington Fire Department Advanced Life Support service and the cost analysis of manning a second Rescue ambulance
- Implement an inspection program that will incorporate electronic means for onsite inspection, prevention and pre-fire planning. Maintain a data base of this information that would be readily available to the crews in the field. And then transfer older fire department records from paper to electronic.
- Start architectural plans and design of Fire Headquarters Station.
- Maintain minimal response time with the limited personnel and continue to deliver ancillary programs such as Fire Prevention, SAFE program, JFIP, and community education as possible.

Major Accomplishments for 2012

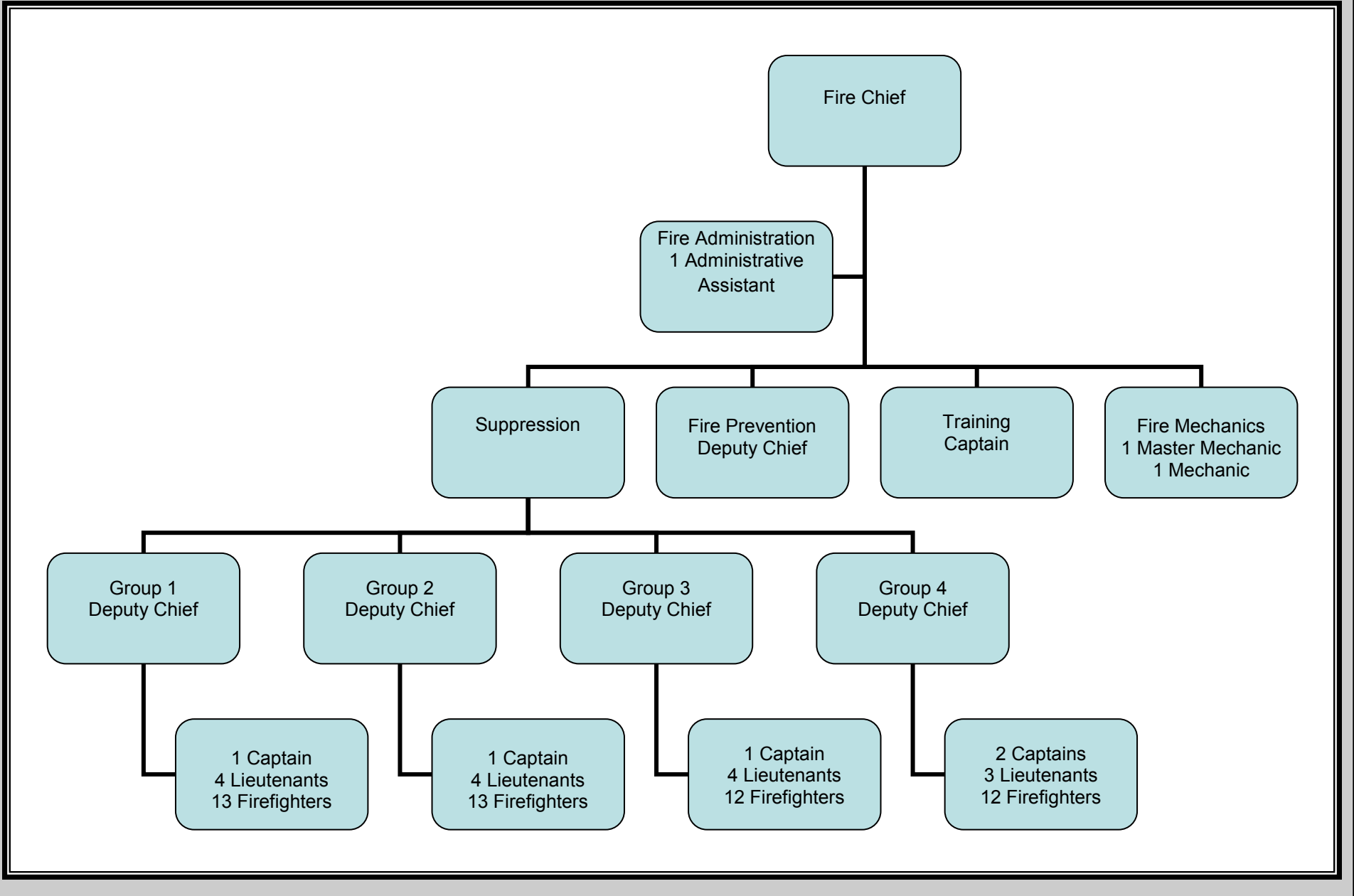
- Completed installation of wireless fire alarm transmission boxes to all of schools and town owned buildings reducing the cost of maintenance and equipment on town operated fire alarm systems. Continued dismantling of town operated fire alarm systems to reduce cost of maintenance and equipment.
- Purchased three new Thermal Imaging Cameras to assist in Rescue Operations allowing for quicker location of victims and better safety for the firefighters. Purchased through funding from the Capital Budget Program
- With staffing at a minimum of 17 personnel department operated 2 Rescues simultaneously which increased revenues contributed to town's general fund.
- Hired ten new firefighters in calendar year 2012. This should help with staffing and hopefully reduce overtime cost.

Performance / Workload Indicators				
	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Fire Department				
Emergency Calls	4,857	4,561	4,789	4,804
Rescue Response	3,045	2,797	3,238	3,439
Private Ambulance ALS/BLS	1,530	1,555	1,813	2,015
Average Response Times*	3m30	3m10s	3m5s	2m55s
Average Time Rescue Calls*	24m55s	31m1s	29m50s	31m0s
Fire Calls	135	134	144	154
Average Total Time Fire Calls*	33m50s	31m54s	32m20s	31m55s
Dollar Loss Property	1.2 million	3.19 million	2.96 million	3.39million
SAFE Students Taught	2,733	2,677	2,700	2,725
JFIP Students Counseled	11	15	11	11

*minutes

Performance / Workload Indicators				
	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Fire Prevention				
Hours of School Fire Drills	224	224	224	224
Hours of Fire Protection Syst. Inspt.	156	170	239	294
Plan.	28	25	26	26
Permits Issued	883	961	1,002	1,054
Permits Issued Revenue	\$48,295	\$72,104	\$80,000	\$92,935

Performance / Workload Indicators				
	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Fire Training				
Training Sessions	127	150	140	140
Training Hours	679	482	420	420
Total Attendees	2,865	1,975	2,100	2,100





Program Description

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

Budget Statement

The Inspectional Services Department anticipates no significant budgetary increases for FY 2014. Our inspectors and staff have adapted, prioritized workloads and worked many hours keeping pace with Arlington's unprecedented building activities. With Alta-Brighams Square 116 unit apartment complex and Arlington Housing Corporations 32 unit rehabilitation project winding down, Arlington 360's 176 residential unit project and Thompson School Rebuild both in mid-phases, and the 80 unit Brightview Assisted Living Facility breaking ground, Arlington's desirable location and services continue to be attractive amenities.

Customer service, training of inspections staff and providing assistance to residents and contractors are leading responsibilities at the Inspectional Services Department.

PROGRAM COSTS

Inspectional Services	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	365,573	418,610	391,096	
Expenses	12,617	12,000	12,000	
Total	378,190	430,610	403,096	

FY2014 Objectives

- The Inspectional Services Department strives to maintain it's high level of job performance. Managing a FY 2012 case load of 5,760 permits with a construction value in excess of \$119,000,000 and permit revenues of \$1,724,973 has been a challenge for a staff of four inspectors and one and a half positions of administrative staff. Thus far, current trending indicates FY2013 having an estimated 5,323 permits being issued , with a construction value increasing to \$65,000,000 and permit revenues of \$1,173,942 .
- The Inspectional Services Department has transitioned to a new State Building Code, International Energy Code, our locally adopted Stretch Energy Code and Sheetmetal Regulations.
- Continued assistance with the Solarize Arlington initiative, Thompson School, and Arlington 360 are a few of our objectives.

STAFFING

Inspectional Services	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical	1	1	1	
Professional/Technical	3	3	3	
Total	5	5	5	

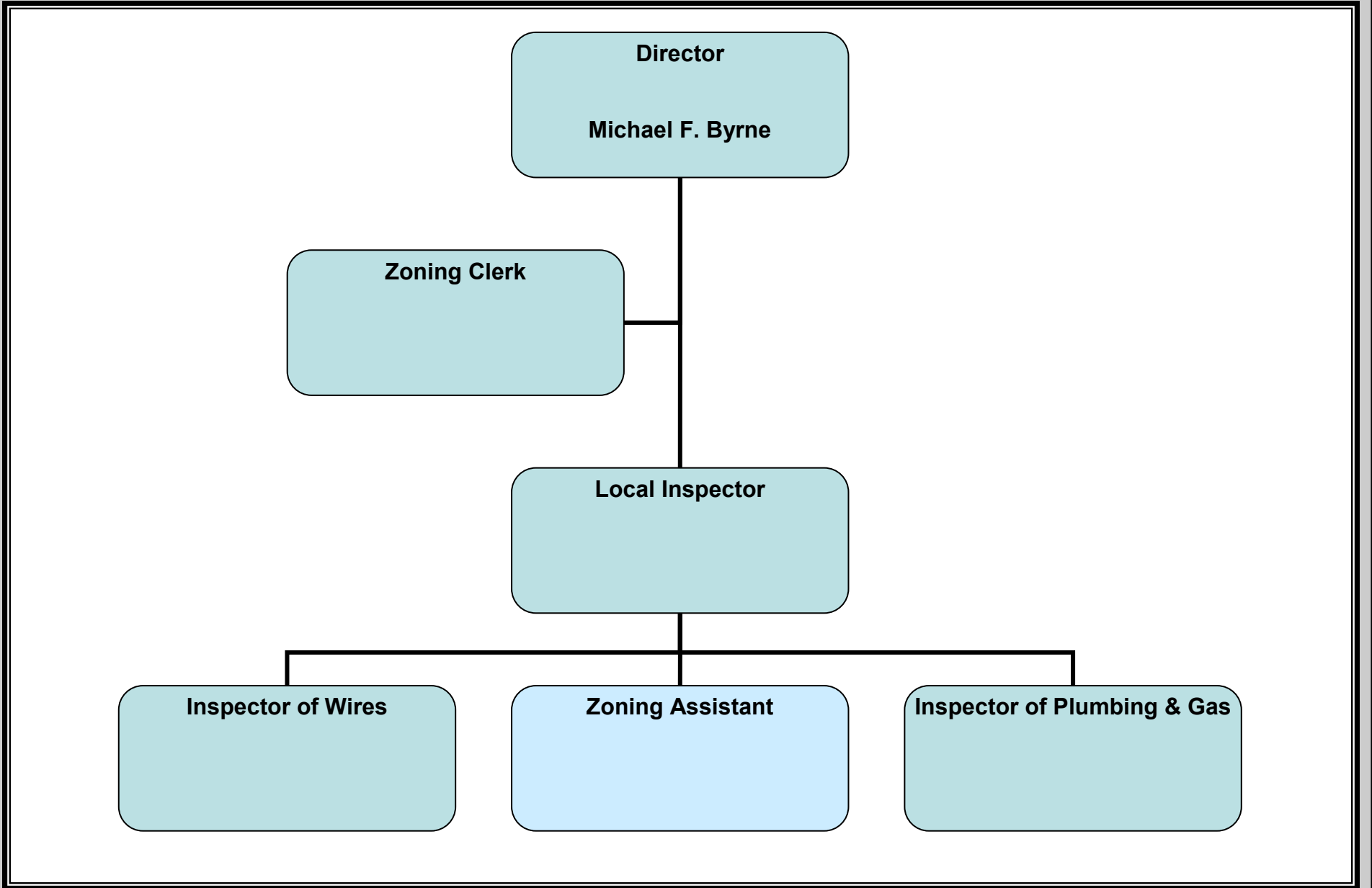


Major Accomplishments for 2012

- Major accomplishments for FY2012 included plan review, permit issuance and code compliance inspections for Arlington's unprecedented construction projects while also keeping pace with the town's growing base of smaller residential projects.

Performance / Workload Indicators

Inspectional Services	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Building	1,688	2,850	2,627	1,800
Plumbing	815	964	1,193	850
Gas	606	815	1,114	650
Wiring	1,079	1,131	1,389	1,100
Revenues	\$1,019,793.00	\$ 1,724,973.49	\$ 1,173,942.00	\$ 890,000.00





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LIBRARIES





Program Description

The Robbins Library is a vital community center that connects people with traditional and technological resources for life-long learning, intellectual pursuits and leisure. The library responds to citizens' needs with services and activities in a welcoming setting built on a history of free and equal access to information for all Arlington residents. Library staff selects, purchases and processes a wide range of library materials including books, periodicals and audio-visual materials. Reference assistance is offered in person, via email, via chat, 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 665,000 items that citizens borrow each year, and makes the collection of over 250,000 items available to patrons by returning items to their accurate shelving locations. The library promotes the love of reading in children, teens, and adults and provides materials and services which support formal learning as well as the desire for personal growth and development for people of all ages.

Budget Statement

The projected FY2014 budget includes minor increases in expenses which will support the maintenance of existing hours of operation and programs. In addition, the FY2014 budget includes provisions to reinstate a Head of Adult Services position. Other increases in expenses will allow for building maintenance needs. The projected budget will also meet the state municipal appropriation requirement and eliminate the need to apply for a waiver to avoid de-certification and the potential loss of borrowing privileges at local libraries.

FY2014 Objectives

- Increase programs for children, teens and adults that reflect their needs, interests and expectations
- Continue to secure funding for the Plugged In series that offers programs targeted at adults age 50+
- Continue efforts to ensure that the library provides a welcoming, useful and aesthetically pleasing environment by reviewing the need to replace/reupholster furniture and improve lighting throughout the building
- Conduct a study of library configuration to improve the layout of collections and services
- Evaluate existing procedures for the selection, ordering and processing of items for the library collection to ensure efficiency
- Expand efforts to form partnerships with community organizations
- Continue to implement strategies including social media to market library resources and services
- Seek funding for potential digitization projects including the local history collection
- Move forward with innovative, high value computer/electronic services utilizing effective technologies to improve staff productivity and customer service
- Provide support to the Robbins Library Foundation that was established in FY 2012 to develop and conduct a comprehensive fundraising campaign
- Continue to work with the Friends of Fox to secure private funding to supplement the municipal budget
- Create a new strategic plan for FY2015-2017
- Complete a feasibility study for the implementation of RFID technology in the future

STAFFING

Libraries	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical	19.8	17.48	17.48	
Professional/Technical	9.8	12.02	12.02	
Custodial/Bldg. Maint.	0.7	0.8	0.8	
Total	31.3	31.3	31.3	

PROGRAM COSTS

Libraries	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	1,477,831	1,498,246	1,516,656	
Expenses	493,107	588,680	596,380	
Total	1,970,938	2,086,926	2,113,036	



Major Accomplishments for 2012

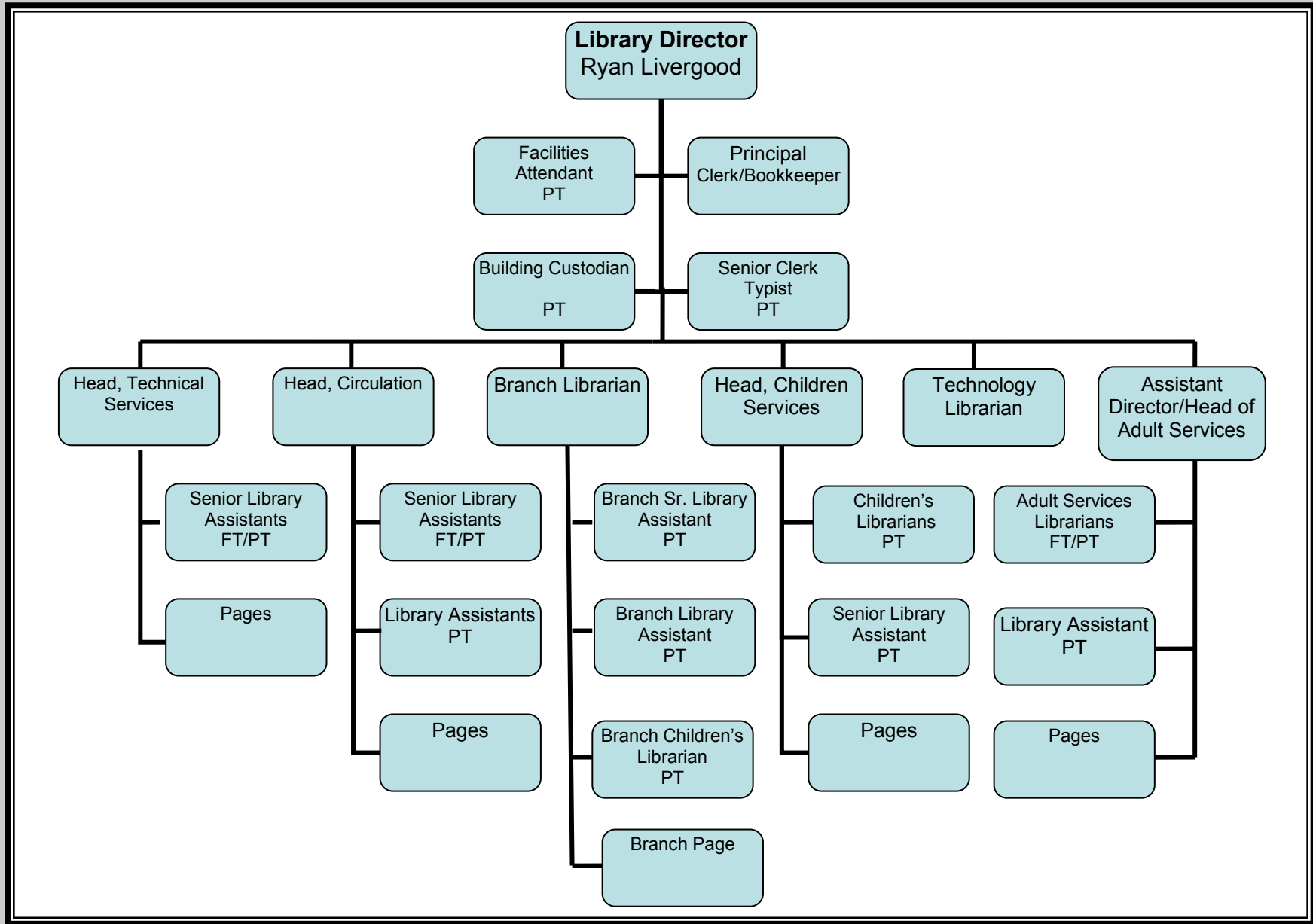
- The library continued to provide excellent service to the community during a year that saw a change in leadership, as Ryan Livergood, the former assistant director/head of adult services, became the new library director, and Andrea Nicolay became the new assistant director/head of adult services. This seamless leadership transition occurred due to the retirement of Maryellen Loud, who provided 27 years of excellent leadership to the library.
- Library recorded the highest circulation in its history (665,437), a 23% increase since 2002.
- Continued to offer a very successful summer reading program for all ages, including a new format for children's summer reading that was greatly appreciated by the community, and a Community Read series in the fall.
- Continued to provide a wide variety of creative children's programs with funding from the Anne Russell Fund.
- Increased the number of both teen and adult programs offered by the library, including programs to assist patrons with accessing downloadable ebooks, several book groups, adult storytimes, and a gaming night.
- Continued our very successful series of programs targeted to adults age 50+ through securing private sponsorship funding from a local business.
- Fox Branch Library circulation increased 25% overall from the previous fiscal year.
- Fully implemented marketing plan developed in 2011 to better inform the public about library services.
- Funding from the Friends of Robbins Library made it possible for the library to add and enhance technology services for the public. The library introduced an innovative laptop lending service unique to the country with the installation of a vending machine that can accommodate laptops or tablets. The system includes 12 lockers with a kiosk that communicates with the Minuteman Library Network database so that laptops can be checked out and returned on customer library records like other library items.

Major Accomplishments for 2012 (cont.)

- Funding from the Friends of Robbins Library made it possible to upgrade the Robbins Library's existing wireless network hardware, as well as provide additional access points to extend and improve the range of service.
- Provided a full year of Friday hours at the Fox Branch Library with funding from the Friends of Fox.
- Started a project to digitize a portion of our local history collection through the support of the Digital Commonwealth
- Continued to utilize social media to promote library programs and services.
- through email announcements, Facebook account, blogs, and Twitter.
- Continued the process of re-barcoding thousands of materials for streamlined processing through the state-wide delivery system.
- Reviewed and updated library policies affecting the public.
- Provided books and audiovisual materials, art prints, databases, computer equipment, museum passes and programs for the Robbins and Fox Libraries with funding from the library trust funds and Friends of the Robbins Library.

Performance / Workload Indicators

<i>Libraries</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Circulation of materials	641,994	665,437	672,091	678,812
eContent Circulation	2,213	8,902	17,802	35,604
Interlibrary loans processed	130,309	141,439	141,439	141,439
Reference questions answered	78,280	92,274	93,197	94,129
Children's programs	331	460	460	460
Adult and YA programs	85	119	119	119
New items ordered and processed	18,276	20,885	21,302	22,154
Website Pageviews	326,613	387,176	391,048	394,958
Website Unique Visitors	83,806	87,207	88,079	88,959
Visits to Robbins Library	321,898	325,550	328,806	332,094
Uses of Meeting Rooms	997	1,053	1,109	1,165





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HEALTH AND HUMAN SERVICES

BOARD OF HEALTH • VETERANS' SERVICES •
COUNCIL ON AGING



Program Description

The Department of Health and Human Services (ADHHS) is the agency that oversees the Health Department, Council on Aging, Arlington Youth Counseling Center, and the Veteran’s Services Office. The agency also coordinates the activities of the following boards: Board of Health, Board of Youth Services, Council on Aging, Disability Commission and the Human Rights Commission. Additionally, the agency works with the Food Pantry, Widows Trust Fund Commission, Youth Health and Safety Coalition and the Health and Human Services Charitable Corporation and manages funds from the Community Development Block Grant, Fuel Assistance Fund as well as many state and federal grant funding sources.

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

Budget Statement

The FY14 budget request for the Health Department is an increase of \$17,490 due mostly to increases in personnel fixed costs. The department will continue to receive \$10,000 for emergency planning from the CDC. The department will conduct tobacco control activities and sealer of weights and measures duties through regional partnerships.

FY2014 Objectives

- The Department will work with the GIS Coordinator to create a People Form to develop an electronic food inspections program.
- The Department will work with the GIS Coordinator to create a People Form to conduct all permitting.
- The Department will work with the the Massachusetts Department of Public Health to enroll and track all vaccinations given in the electronic Massachusetts Immunization Information System (MIIS) .
- The Department will continue to work with regional public health partners to train all staff and Medical Reserve Corps volunteers on emergency planning initiatives.
- The Department will lead the effort to apply for a second round of federal funding to maintain the Arlington Youth Health and Safety Coalition to continue prevention of youth substance use in Arlington.
- The Board of Health will adopt new tobacco control regulations.
- The Department will develop a five year plan for facility maintenance and repairs at the Whittemore Robbins House and Cottage.
- The Department will seek out a new facility for the Food Pantry.

STAFFING

Health & Human Services	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical	1	0.8	0.8	
Professional/Technical	1.9	2.5	2.5	
Total	3.95	4.25	4.25	

PROGRAM COSTS

Health & Human Services	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	277,512	295,781	312,771	
Expenses	23,308	24,990	25,490	
Total	300,820	320,771	338,261	-



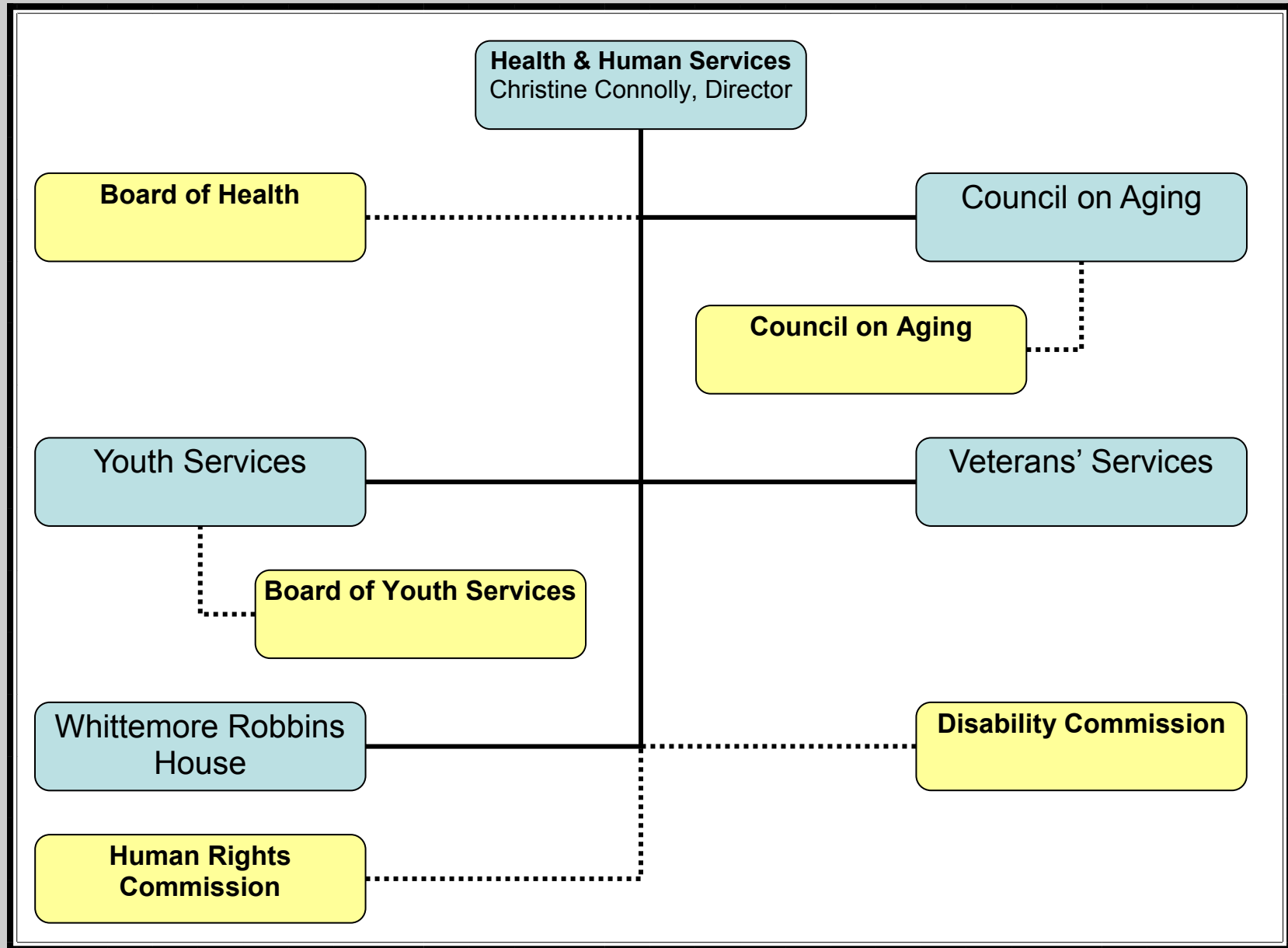
Major Accomplishments for 2012

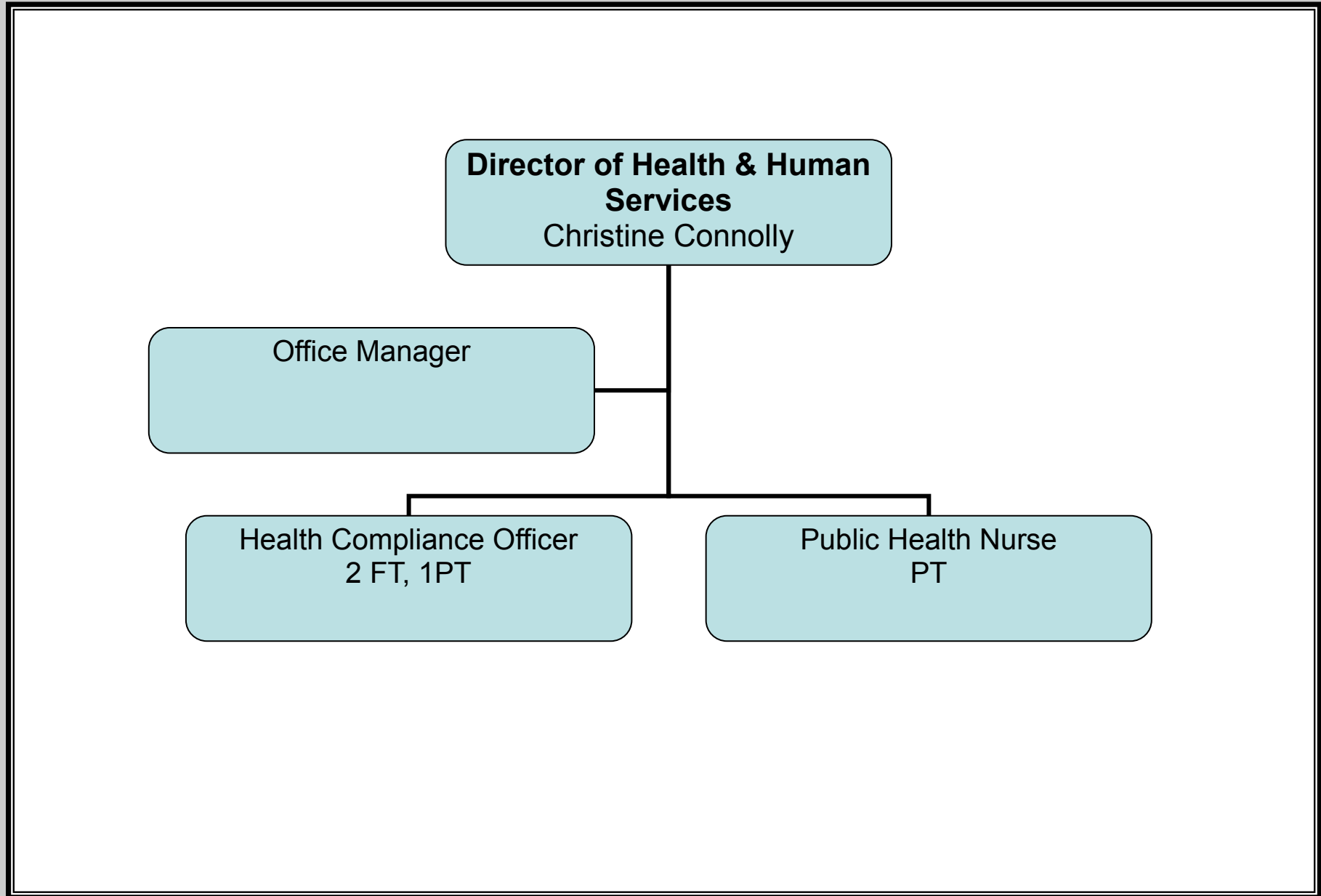
- The Board of Health enacted Biotechnology Regulations and Abrasive Blasting Regulations.
- The Department received a regional grant to conduct tobacco control activities in Arlington which resulted in an increase in tobacco compliance checks and retail store inspections.
- The Department worked with the GIS Coordinator to establish a People Form to conduct all food permitting.
- The Department received a grant from the Executive Office of Public Safety to implement a training program for staff and volunteers on shelter operations in Arlington.
- The Department was recognized by the National League of Cities and the Massachusetts Municipal Association for the Hoarding Response Team model.
- The Department worked with The Learning Channel (TLC) Hoarding: Buried Alive Program to bring a property into compliance with the state sanitary code.
- The Department worked with the Attorney General's Office Abandoned Housing Initiative to begin the process of bringing two abandoned properties into compliance with the state sanitary code.
- The Department worked with the GIS Coordinator to establish a People Form to track all food pantry clients and client visits.

Performance / Workload Indicators				
	FY2011	FY2012	FY2013	FY2014
<i>Health Department</i>	Actual	Actual	Estimated	Estimated
Food Inspections	304	428	450	500
Tobacco Compliance Checks	26	65	100	100
Tanning Establishment Inspections	2	2	1	1
Demolition Inspections	20	12	15	15
Housing Inspections	95	77	85	100
Public Pool Inspections	15	11	15	15
Public Beach Inspections	18	5	8	10
Resident Complaints	285	234	310	325
Communicable Disease Investigation	80	87	90	90
Flu Vaccinations Administered	3000	2800	2054	2000

Performance / Workload Indicators				
	FY2011	FY2012	FY2013	FY2014
<i>Health & Human Services</i>	Actual	Actual	Estimated	Estimated
Food Panty Average Monthly Distribution	360	375	400	425
Assistance Program - Families served	45	90	90	90

Performance / Workload Indicators				
	FY2011	FY2012	FY2013	FY2014
<i>Rentals</i>	Actual	Actual	Estimated	Estimated
Whittemore Robbins House Events	34	46	50	55
Town Hall Auditorium Events	52	87	90	90







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.

Budget Statement

With the increase in medical expenses and the current economic condition, the low income elderly and disabled veterans will require more aid and assistance. The poor economy and lack of jobs, has resulted in more temporary aid & assistance to younger veterans not able to gain employment upon discharge or losing jobs. Recent veterans are requiring more assistance with VA benefits.

FY2014 Objectives

- Request and receive 75% reimbursement from DVS for all aid and assistance benefits provided to veterans.
- Apply for and receive 75% reimbursement for flags decorating veterans' graves on Memorial Day.
- Coordinate 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 available to supply and help complete necessary forms for benefits with both the VA and the DVS, and answers to questions concerning any other veterans issues.
- Work with GIS Coordinator to develop a plan to utilize People GIS in department.
- Improve locating of veteran's graves at Mt. Pleasant Cemetery.
- Update The Veterans' Honor Roll.

PROGRAM COSTS

Veterans' Services	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	59,374	62,164	63,874	
Expenses	264,996	279,339	278,539	
Total	324,370	341,503	342,413	-

STAFFING

Veterans' Services	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial				
Clerical				
Professional/Technical	1	1	1	
Total	1	1	1	



Major Accomplishments for 2012

- Created Memorial Square to honor Corporal Peter V. Carlino - KIA WWII.
- Assisted twenty-nine veterans and eighteen widows in acquiring maximum VA benefit.
- Assisted twelve veterans acquire annuities and/or bonuses.
- Assisted seventeen veterans acquire "Welcome Home" bonus.
- Assisted twenty veterans and/or spouses receive aid and assistance from VA.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
<i>Veterans' Services</i>				
Department of Veteran Services Clients (DVS)	50	57	61	65
Department of Veterans' Assistance Clients (VA)	75	80	97	105



Health & Human Services Director
Christine Connolly

Veterans' Agent



Program Description

The Council on Aging, a division of the Department of Health and Human Services, performs as a community based social services organization for the seniors in Arlington; and as such, connects seniors to existing and appropriate services within the community. The agency's primary responsibilities are to provide information and referral, develop health and wellness programs, provide a sense of well-being through social programs, and promote civic engagement.

Based on the 2010 Census there are 9,315 (22%) individuals 60 years and older in Arlington.

FY2014 Objectives

- Strengthen relationships with all municipal departments as it relates to the health and wellness of the seniors in Arlington.
- Expand relationship with Arlington Housing Authority, providing appropriate programs that engage residents and enhance wellness.
- Partner with municipal and private agencies to enhance existing programs.
- Improve agency involvement in the town local emergency planning initiatives.
- Continue to work with the Friends of the Council on Aging to establish ongoing grants for programs.

Budget Statement

The budget for FY2014 is a conservative estimate of level service funding. The agency has been effective utilizing volunteers to staff the reception area as well as program development and program support. There are 137 COA volunteers that support the initiatives of the Council on Aging providing 6,960 hours of direct service; equivalent of 3.8 FTE in personnel. Using minimum wage (\$8) the value of their civic contribution to the Town of Arlington is over \$55,000 per year.

PROGRAM COSTS

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Council on Aging				
Personnel Services	193,029	188,212	181,935	
Expenses	4,441	4,940	4,940	
Total	197,470	193,152	186,875	-

STAFFING

	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Council on Aging				
Managerial	1	1	1	
Clerical	0.9	0.9	0.9	
Professional/Technical	1.1	1.1	1.1	
Total	3.00	3.00	3.00	

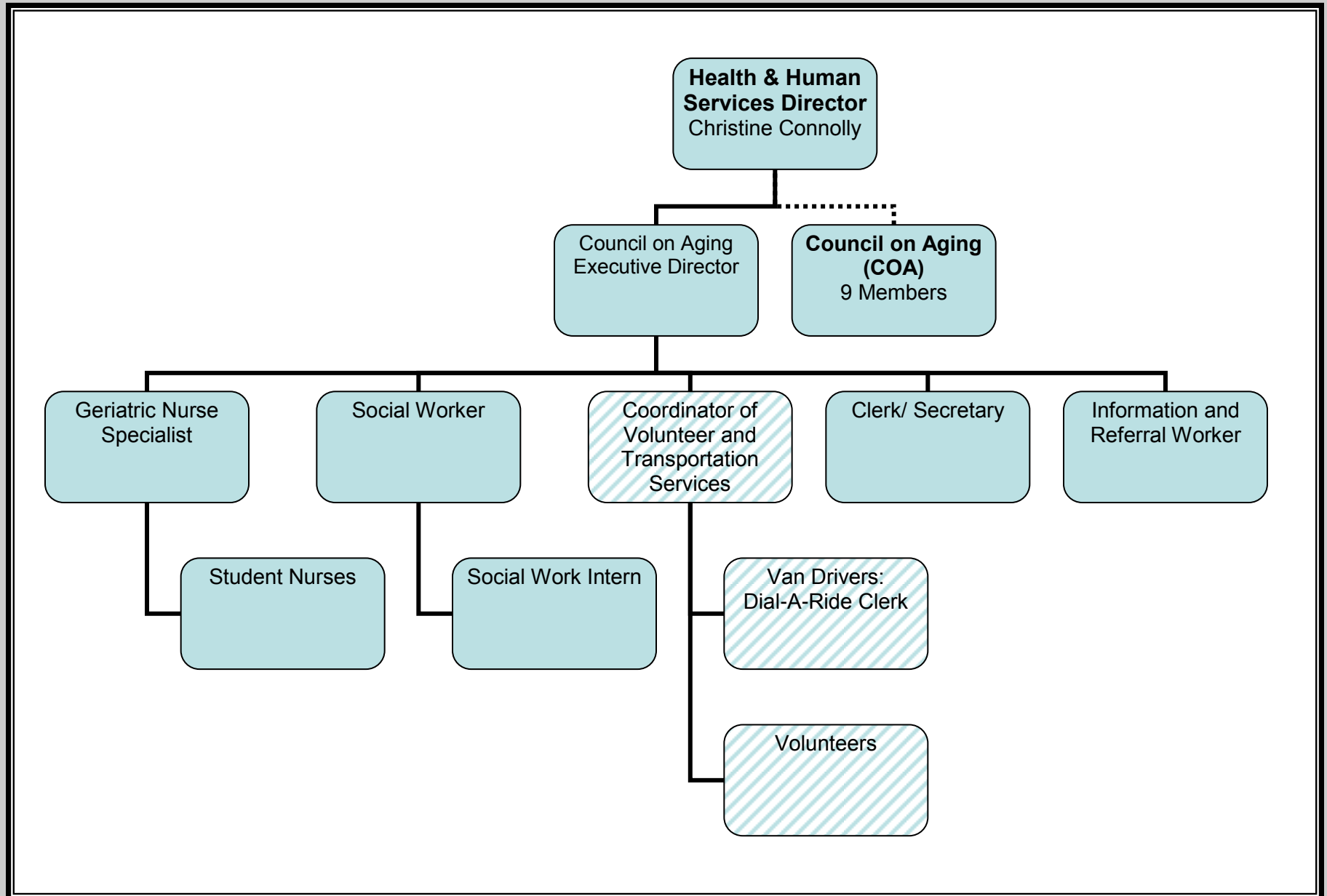


Major Accomplishments for 2012

- After a 4 month vacancy, a new Executive Director was hired.
- In July 2012, secured "My Senior Center", a statistical program used in Councils on Aging to capture statistics in all accountable areas.
- Received \$7,250 from Lahey Hospital Community Wellness Mini Grants for 6 programs.
- Received \$10,000 from the Friends of the Arlington Council on Aging for specific programs that include Health & Wellness, Social, Civic Engagement, and needs for the Low Income Seniors.
- Offered four (4) different support groups and provided 20 health and wellness lectures.
- Provided internships for MSW candidates and Nursing Students.
- Partnered with Minuteman Senior Services and the Human Rights Commission to provide "Gen Silent," a health and wellness program, and recorded a cable program on Elder Abuse and Self Neglect.
- COA Sponsored Health Fair reached over 200 Arlington seniors and their families.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Council on Aging				
Units of Service Delivered				
Annually	127,329	132,422	132,700	132,700
Volunteers	110	125	140	150





NON-DEPARTMENTAL

RETIREMENT • INSURANCE



Program Description

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

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

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

PROGRAM COSTS

Pensions	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services				
Non Contributory	99,009	107,123	107,123	
Contributory	7,218,868	7,603,643	8,052,909	
Total	7,317,877	7,710,766	8,160,032	-

Performance / Workload Indicators

Pensions	FY2011 Actual	FY2012 Estimated	FY2013 Estimated	FY2014 Estimated
Contributory Enrollees				
Active Employees	699	699	699	690
Retired Employees	636	636	641	637
Non-Contributory Enrollees	5	5	5	5

Budget Statement

The contributory pension budget for FY2014 has been increased by \$504,714. The non-contributory pension budget is projected to remain level at \$107,123, with 5 remaining retirees.



Retirement Board

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

Retirement Administrator

Richard Greco

Assistant Retirement Administrator

Maria Freitas



Program Description

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

- 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

FY2014 will be the second full fiscal year that town employees will be part of the Commonwealth's Group Insurance Commission (GIC). The FY2014 GIC rates have an overall increase of 3.5%. Due to plan migration and modest rate increases the group health budget request will increase by just over a half-percent from FY2013. Additionally the Town's opt-out program, whereby existing enrollees are given payment to incentivize them off the plan, has been very successful with an annual savings of over \$500,000. Other insurance costs are expected to decrease by \$65,849 as a result of a decreased appropriation to the Employee Health Mitigation Fund.

FY 2014 Objectives

- Continue the transition of employees to the Group Insurance Commission through information, education, and customer service.
- Audit enrollment in all benefits plans to ensure Town is keeping costs in check.
- Further enhance the new First Point of Medical Contact Program for work-related injuries, saving time and costs in the medical treatment of our employees.
- Administer the Employee Health Mitigation Fund including successfully educating and supporting employees in the proper utilization of the Health Reimbursement Arrangement.
- Continue to offer opt out program for employees and retirees, which is now utilized by over 50 subscribers, thereby providing the Town significant savings.
- Explore options for reducing retiree health care costs.

PROGRAM COSTS

Insurance	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Group Life	51,221	55,000	55,000	
Group Health	11,943,072	13,264,414	13,118,565	
Unemployment Ins.	179,436	200,000	200,000	
Medicare	768,622	745,000	825,000	
Indemnity	214,202	250,000	250,000	
Liability	44,390	50,000	50,000	
Workers' Compensation	420,249	490,000	490,000	
Flexible Benefit Plan	10,552	50,800	50,800	
OPEB Offset	-	-	(300,000)	
Total	13,631,744	15,105,214	14,739,365	-



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 is a member of the Commonwealth's Group Insurance Commission, and therefore Town employees are enrolled in the same health plans as all state employees. The Town pays differing contribution splits based upon plan selection and bargaining unit, as demonstrated below.*

- Indemnity Plans (75% employer /25% employee):
 - Unicare State Indemnity Plan Basic with CIC
 - Unicare State Indemnity Plan Basic without CIC
- HMO Plans (85/15% employees and retirees w/o Medicare):
 - Fallon Community Health Plan Direct Care
 - Fallon Community Health Plan Select Care
 - Harvard Pilgrim Primary Choice Plan
 - Health New England
 - Neighborhood Health Plan
 - Tufts Health Plan Spirit
- PPO Plans (80/20% employees and retirees w/o Medicare)
 - Harvard Pilgrim Independence Plan
 - Tufts Health Plan Navigator
 - Unicare State Indemnity Plan/Community Choice
 - Unicare State Indemnity Plan/PLUS
- Medicare Extension Plans:
 - Fallon Senior Plan (85/15%)
 - Harvard Pilgrim Medicare Enhance (75/25%)
 - Health New England MedPlus (85/15%)
 - Tufts Health Plan Medicare Complement (85/15%)
 - Tufts Health Plan Medicare Preferred (85/15%)
 - Unicare State Indemnity Plan/Medicare Ext. with CIC (75/25%)
 - Unicare State Indemnity Plan/Medicare Ext. without CIC (75/25%)
- Dental Plan:
 - Delta Dental - Two levels of plan offerings – these plans are paid 100% by the employee.

*Employees hired after December 1, 2011 are required to pay 25% toward the cost of their plan. Surviving spouses pay 50%.

FY 2014 Objectives

- Continue the transition of employees to the Group Insurance Commission through information, education, and customer service.
- Aggressively monitor retirees turning 65 and becoming Medicare eligible and ensure enrollment into appropriate plan. Maintain list of those turning 65 in the next sixth months and direct mail them semi-annually.
- Continually monitor enrollment to ensure Town is keeping costs in check.
- Continue to offer opt out program for employees and retirees, which is now utilized by over 50 subscribers, thereby providing the Town significant savings.
- Explore options for reducing retiree health care costs.

Budget Statement

FY2014 will be the second full fiscal year that town employees will be part of the Commonwealth's Group Insurance Commission (GIC). The FY2014 GIC rates have an overall increase of 3.5%. Due to plan migration and modest rate increases the group health budget request will increase by just over a half-percent from FY2013. Additionally the Town's opt-out program, whereby existing enrollees are given payment to incentivize them off the plan, has been very successful with an annual savings of over \$500,000.



Major Accomplishments for 2012

- Successful transition of over 4,000 lives to Group Insurance Commission (GIC) plans in an accelerated time frame.
- Aggressively educated employees and retirees about their GIC health plan options resulting in employees opting in to more cost effective choices.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
<i>Health & Life Insurance</i>				
Health Insurance Contracts Managed	1,878	1,878	1,878	1,874
Life Insurance Contracts Managed	1,067	1,067	1,090	1,090
Life Insurance Claims Processed	30	30	35	35



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SECTION V

ENTERPRISE FUNDS



ENTERPRISE FUNDS

WATER/SEWER • RECREATION • ED BURNS ARENA •
COUNCIL ON AGING TRANSPORTATION •
YOUTH SERVICES



Program Description

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

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

FY2014 Objectives

- Continued development of updated water/sewer regulations for the Town.
- Utilize GIS mapping to identify problematic areas in Town.
- Implement installation of automated failure detection hardware/software for all sewer pump stations.
- Work to reduce unaccounted for water use in Town.
- Continued support of an annual water main replacement program and the annual sewer improvements program.
- Improved customer response time.

Budget Statement

The FY14 Budget assumes a 7.5% rate increase for FY14.

The request for the Water/Sewer budget is up by \$498,226. This increase is lower than typical and is due to an anomaly last year when a spike in water usage was detected and charged to Arlington by the MWRA. This spike in usage was inconsistent with historical usage for the Town and did not repeat itself this past year.

An increase in Capital Expenses accounts for approximately \$344,539 of the projected budget. This increase is requested to replace a Vacuum/Jet truck vital to the operation of the department.

The Department Personnel Services Budget increases by \$80,472, due to an increase in the Pay and Classification Plan.

Revenue and cost tracking spreadsheets continue to be monitored to provide reasonable revenue/expense forecasting. Our annual rate of consumption has been dropping by an average of 2.0% annually, which dampens revenues. As consumption continues to drop and MWRA assessments continue to rise, rate setting will become more and more challenging. For 2014 rate setting, a consultant has been retained to review our rate setting practices to ensure that rates are being developed equitably among users.

PROGRAM COSTS

Water/Sewer Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	1,751,344	1,945,845	1,970,869	
Expenses	2,695,876	2,715,072	2,759,688	
MWRA Assessment	11,301,948	12,165,418	12,260,084	
Capital Expenses	2,103,454	1,701,870	2,035,790	
Total	17,852,622	18,528,205	19,026,431	-

STAFFING

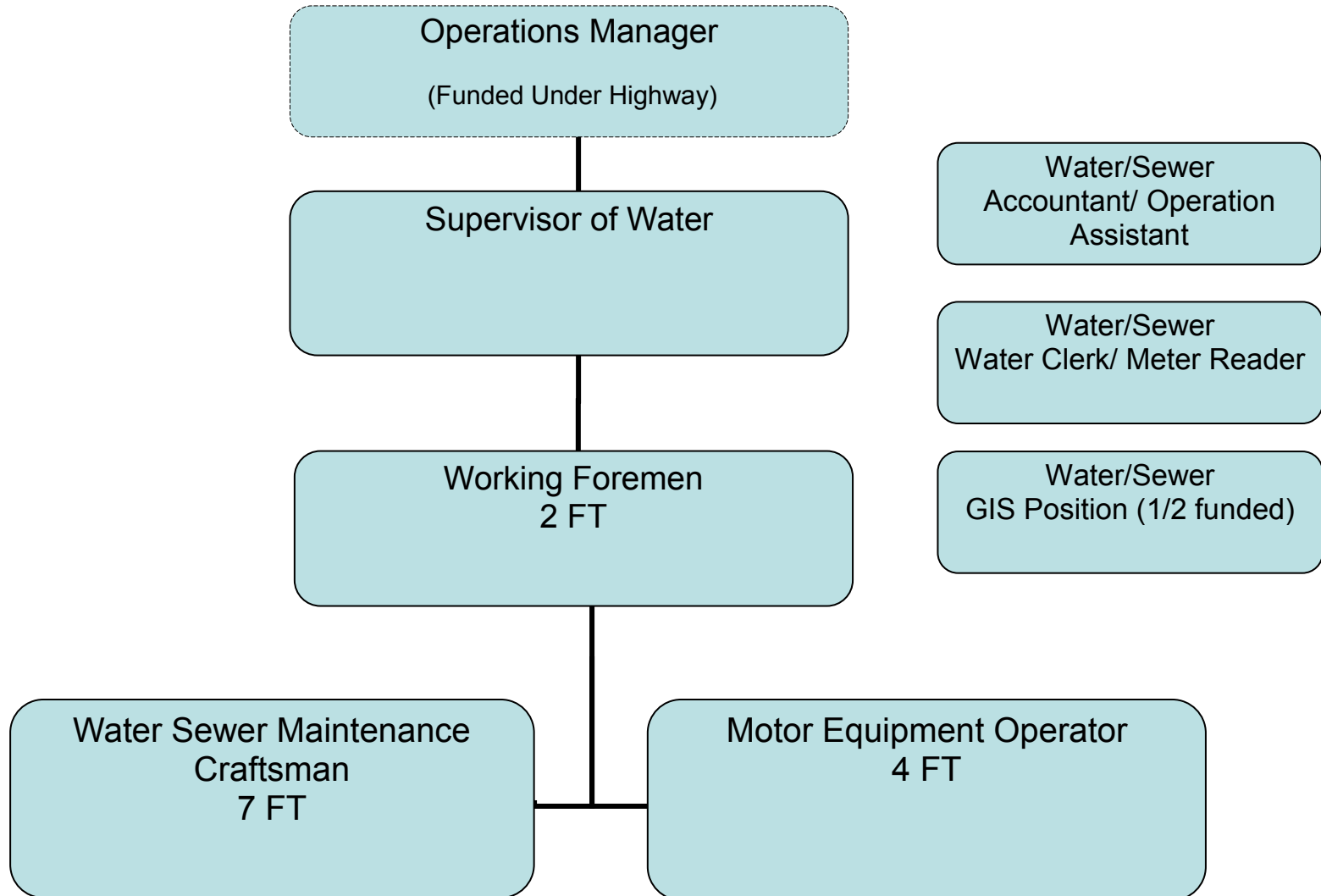
Water/Sewer Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	1	1	1	
Clerical	2	2	2	
Professional/Technical	0.5	0.5	0.5	
Public Works	13	13	13	
Total	16.5	16.5	16.5	



Major Accomplishments for 2012

- Replaced 344 water meters
- Provided water use data to the Town Treasurer for billing.
- Repaired water main leaks at 13 locations.
- Repaired water service lines at 25 locations.
- Replaced 51 hydrants.
- Flushed over 125 locations to clear blockages from sewer mains and services.
- Sampled 14 locations weekly for water quality.
- Provided over 320 mark outs for underground excavation work.

Performance / Workload Indicators				
<i>Water/Sewer Enterprise</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Water Meters Read	25,125	25,107	25,110	25,110
Repair Water Main Leak/Break	24	13	25	25
Repair Water Service Leak	35	25	35	35
Repair or Install Meter	386	344	400	400
Repair or Install Hydrant	38	51	60	60
Catch Basins Cleaned	950	27	50	50
Flush a Sewer Back-Up	128	73	120	120
Replace or Install Sewer Pipe	144	93	150	150
Flush a Sewer Main	128	73	120	120
Excavation Mark outs	356	320	360	360
Water Quality Test Sites	14	14	14	14
Water Mains - miles	131	131	131	131
Sewer Main - miles	117	117	117	117
Sewer Pump Stations	9	9	9	9
Fire Hydrants	1,396	1,398	1,398	1,398





Program Description

Arlington Recreation, a self-sustaining division of the Town of Arlington and it is proud to offer 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, Ed Burns Arena, North Union Spray Pool, Thorndike Off Leash Dog Area and the Fox Library Community Room. Additionally, the Recreation Department oversees the operations, capital improvements, scheduling, and permitting to all the parks and playgrounds in Town under the Park Commission's jurisdiction.

FY2014 Objectives

- Ensure the quality of programs offered by continuing hiring qualified instructors and program staff.
- Continue to explore alternative recreational program offerings that meet the needs of the community.
- Continue to investigate alternative facilities for additional recreation program space.
- Increase fundraising and special event offerings.
- Increase participation numbers in our state licensed after school program.
- Continue to work with Natural Resources on developing a maintenance plan and capital plan for parks and playgrounds.
- Broaden program offerings for children with special needs.

Budget Statement

Overall the FY 2014 expense budget will increase by \$24,357 which is primarily due to a increase in salaries, custodial costs and higher credit card fees due to increased on-line registrations.

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. Our new Kid Care after school program will increase its enrollment which will also increase revenues.

The department will also coordinate and supervise capital improvements of our recreational facilities including the rink, reservoir, spray pool, playgrounds, Gibbs Gymnasium, off leash dog park, and numerous fields, and parks. Recreation will continue to also be the permitting authority for these facilities.

PROGRAM COSTS

Recreation Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	268,422	262,147	275,914	
Expenses	251,480	262,720	273,310	
Total	519,902	524,867	549,224	-

STAFFING

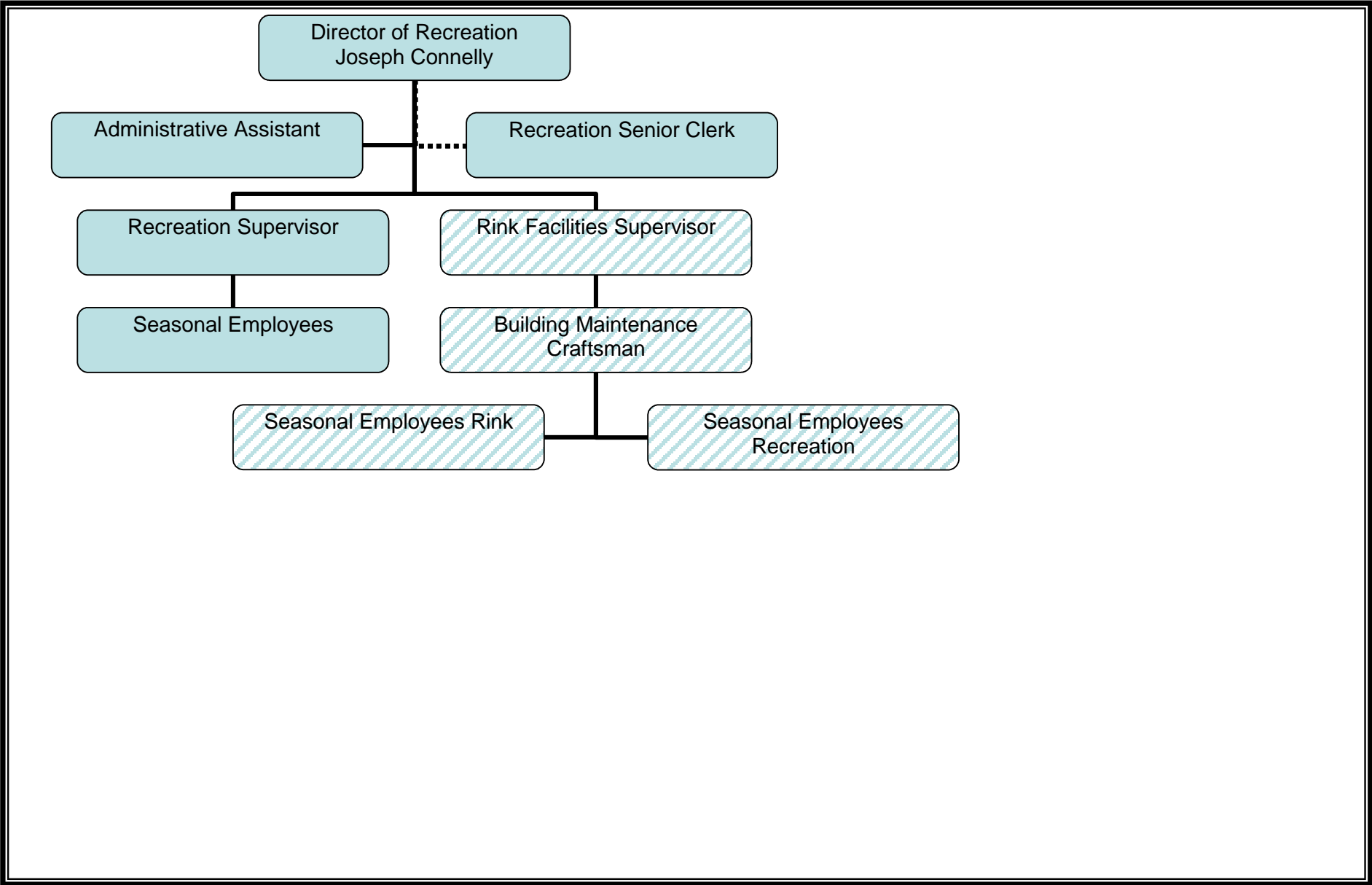
Recreation Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	0.5	0.5	0.5	
Clerical	1.27	0.62	0.62	
Professional/Technical	1	1	1	
Custodial/Bldg. Maint.	0	0	0	
Total	2.77	2.12	2.12	



Major Accomplishments for 2012

- Offered a variety of new programs including: toddle art classes, rock climbing, adult tai chi, special needs sport programs, and baby boot camp
- Offered canoe and kayak rentals at Spy Pond park from Memorial Day till the end of August.
- Renovation and planned capital improvements to Arlington's first dog off leash recreation area at Thorndike Field, Phase Three Capital Improvements to the Ed Burns Arena and starting the design phase of the Florence Avenue Playground.
- Held Fifth Annual Recreation Department Golf Tournament fundraiser.
- Continued community special events such as Town Day Race, Egg Hunt, and the Daddy Daughter Dance.
- Continued scheduling, improvements and oversight to the Fox Library Community Room.

Performance / Workload Indicators				
	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Recreation				
Participants:				
Fall	1,110	1,263	1,200	1,200
Winter	1,207	2,012	2,000	2,000
Spring	772	786	780	780
Summer	1,832	1,823	1,850	1,850
Reservoir Tags:				
Adult Resident	437	437	440	440
Child Resident	395	395	400	400
Senior Citizen	71	71	70	70
Non Resident	24	24	25	25
Resident Family	340	340	350	350
Non Resident Family	27	27	30	30
Resident Family Plus 1	64	64	70	70
Non Resident Family Plus 1	6	6	10	10
TOTAL:	1,364	1,364	1,395	1,395
Reservoir Passes:				
Res Weekday Pass	3,050	3,344	3,300	3,300
Res Weekend Pass	1,667	2,386	2,000	2,000
TOTAL:	4,717	5,730	5,300	5,300





Program Description

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

In the off season the rink bed is used for a variety of activities including roller skating, in-line skating leagues, batting cages, indoor soccer/ lacrosse and social dances.

FY2014 Objectives

- Continue to aggressively look to rent ice hours historically not rented including mid day slots during the weekday. Special rates will be offered to make these times attractive to the public.
- Continue to pursue fundraising opportunities to generate additional revenues. These events will be run in conjunction with the Recreation Division and will include our annual golf tournament.
- Other alternative opportunities of raising revenue will be investigated including the addition of a pro shop, video games and special reserve seating passes.
- Specialty hockey and skating camps will be investigated for the late summer months as well as post season tournaments.
- Investigation of an expanded capital improvement plan to address issues not addressed in the first three phases.
- Look at expanding off season activities through the use of a special sports flooring.

Budget Statement

The overall budget for FY 2015 will increase by \$41,192 primarily due to an increase in our capital expenditures bond payback and increased staffing cost.

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

PROGRAM COSTS

Ed Burns Arena Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	231,553	241,063	260,623	
Expenses	322,915	307,219	328,851	
Total	554,468	548,282	589,474	-

STAFFING

Ed Burns Arena Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	0.5	0.5	0.5	
Clerical	0.77	0.62	0.62	
Professional/Technical	1	1	1	
Custodial/Bldg. Maint.	1	1	1	
Total	3.27	3.12	3.12	

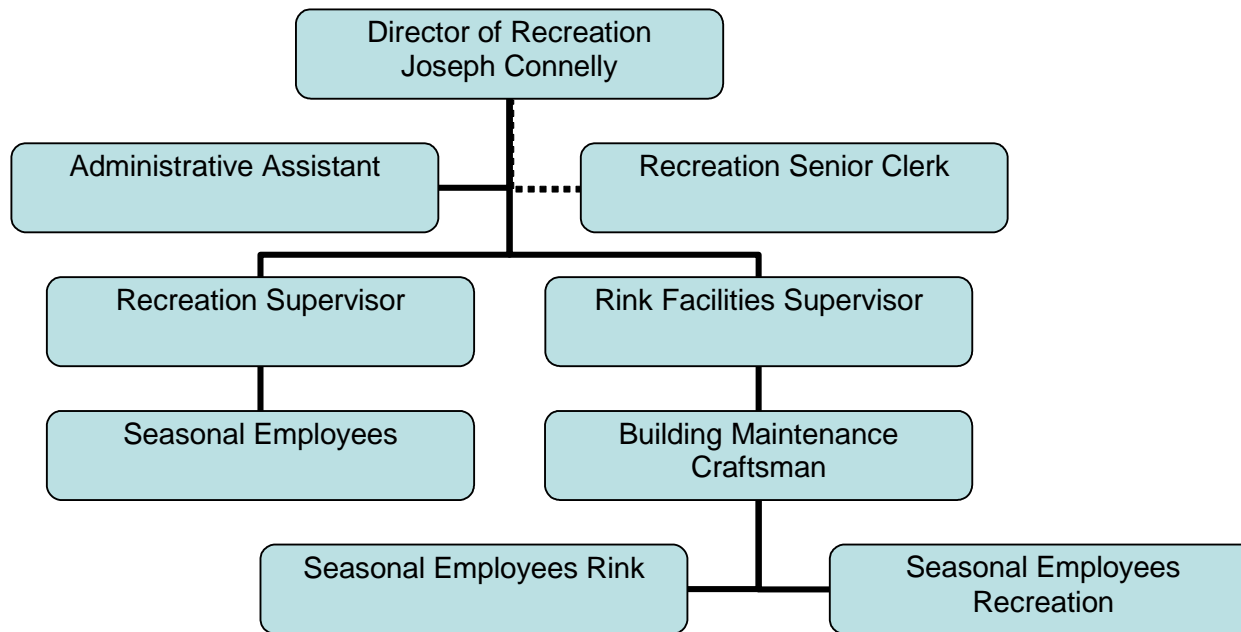


Major Accomplishments for 2012

- Maintained a high quality ice surface throughout the skating season.
- Completed phase 3 of the facility capital plan which included a new dehumidification system, new cooling tower and ordered a new electric zamboni.
- Extended the operations of the rink into the months of August and April with expanded camp and public skating options.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Veterans' Memorial Rink				
Ice Rental Hours	1,944	1,962	1,975	1,975
Public Skate/Lesson Hours	610	622	625	625
Public Skating Participants:				
Adults	4,484	4,258	4,000	4,000
Children/ Seniors	8,317	8,411	8,400	8,400
Public Skating Passes:				
Adults	53	53	55	55
Children/ Seniors	127	79	100	100
Skate Rentals	3,235	2,959	3,000	3,000
Skate Sharpening	1,112	848	900	900
Skate Sharpening Passes	15	9	10	10
Stick and Puck	557	657	650	650





Program Description

The Council on Aging (COA) Transportation Program was established as a Town Enterprise Fund in 1988. Its purpose is to provide affordable transportation for Arlington seniors, and for the disabled any age. The agency's lift-equipped vans were acquired through the Department of Transportation, Mobility Assistance Grants.

Keeping non-driving Arlington seniors in the community requires identifying methods of transportation allowing them to remain independent and actively engaged in Arlington. Many seniors are not able to walk to, or stand at bus stops and therefore highlights the critical need for a curb to curb transportation program as run through the Council on Aging.

Our goal is to also reduce barriers to obtain medical treatment and the COA Vans provide medical rides to out of area hospitals such as Lahey Burlington, Mt. Auburn Hospital, Winchester Hospital, and Cambridge Hospital as well as others. The Medical Escort Program is volunteer based and provides rides to Boston based medical facilities. The program also manages a Dial a Ride Taxi program.

Budget Statement

In FY13 it was necessary to seek a transfer due to increased labor costs due to staff leave. As an Enterprise Fund, the Council on Aging must continually seek revenue from riders and non-municipal resources. As an Enterprise Fund, the COA Transportation Program must generate sufficient revenues to meet its program expenses. This is difficult due to the related expenses in transportation; including but not limited to scheduling, drivers pay, supervision, gas and repair. Program revenues are generated through rider fees, Community Development Block Grant (CDBG) funding, and a generous grant from the Symmes Medical Use Non Profit Corporation.

In FY14 and continuing forward, the Council on Aging Transportation department will be seeking contributions from local hospitals and others to help supplement the transportation budget.

STAFFING				
Council on Aging Transportation	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial				
Clerical	0.54	0.54	0.54	
Transportation Drivers	1	1	1	
Total	1.54	1.54	1.54	

PROGRAM COSTS				
Council on Aging Transportation	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	60,406	75,184	79,929	
Expenses	28,876	32,400	41,371	
Total	89,282	107,584	121,300	



FY2014 Objectives

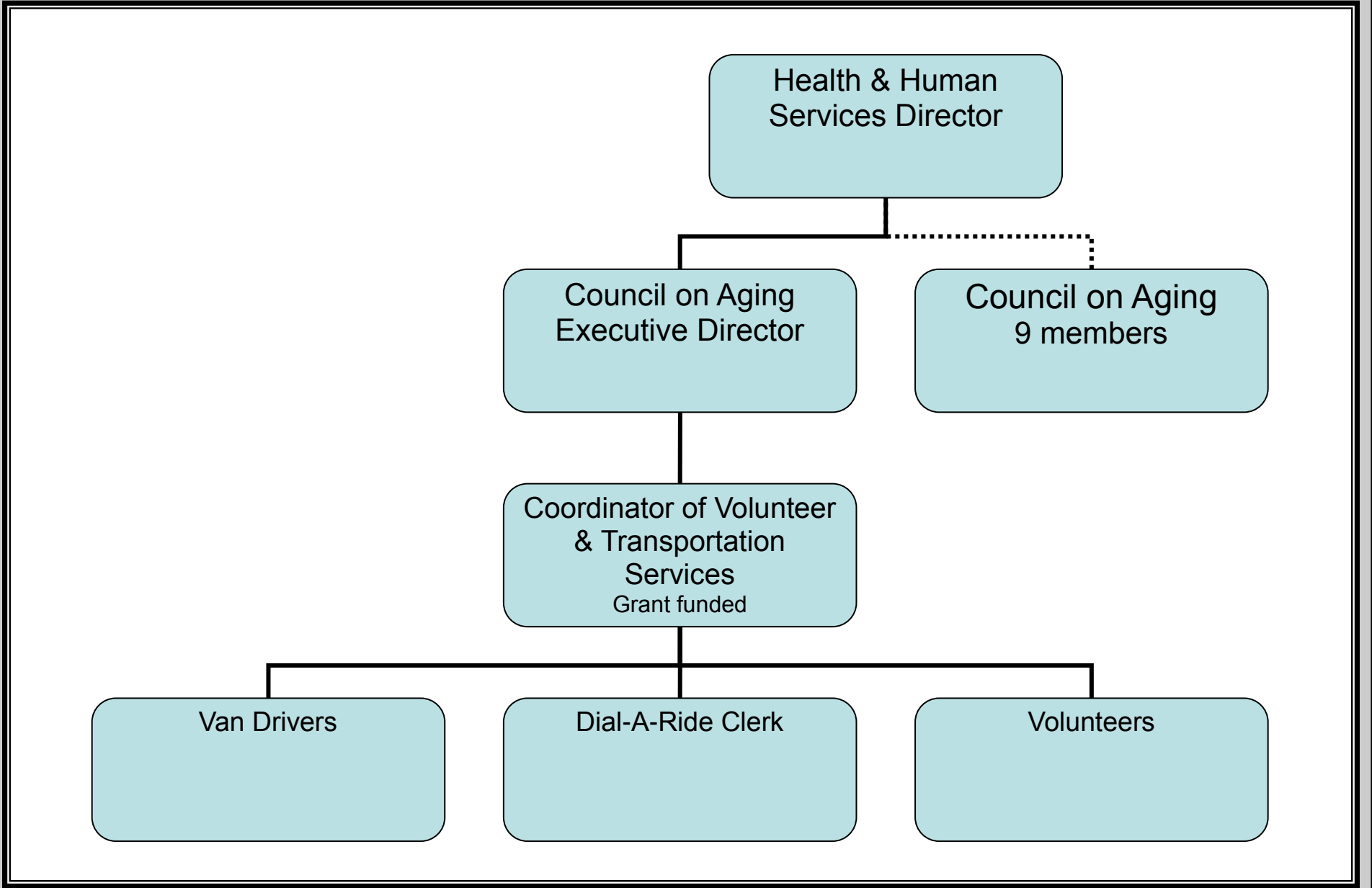
- Offer a transportation seminar to advise and educate Arlington Seniors on Dial a Ride Taxi (DART) Service, The Ride, COA Van Transportation, and MBTA Services.
- Telephone survey will be completed on all current riders.
- Host a Charlie Card event in January to continue to enroll seniors in the program.
- Aggressively pursue hospitals for contributions to the Transportation Enterprise Fund; the program provides an estimated 800 rides to area hospitals each year.
- Implement a small fee on all Medical Escort Rides. The fee collected will offset the mileage reimbursement currently provided for volunteer drivers.
- Negotiate a new rate for the vendor who provides the Taxi Service under the DART program.
- Evaluate and make internal changes as necessary to streamline operations.
- Provide a more comprehensive plan and usage to the Town for FY2015 regarding transportation needs and human resources to fulfill those needs.

Major Accomplishments for 2012

- Successfully organized a Charlie Card event, enrolling over 200 Arlington seniors.
- Received a \$15,000 grant through the Symmes Medical Non Profit Corporation for transportation.
- In July 2012, secured “My Senior Center”, a statistical program used in the Transportation Department within Councils on Aging to capture statistics. These statistics will enable the agency to track the number of rides per year, the number of actual riders, and how the riders use the service. This information is critical for grant writing and staffing.
- Maintained Van program Monday - Friday utilizing part time help during a 3 month absence of a full time Van Driver
- All Drivers attended state mandated training
- Established a “Thursday” errand day utilizing the Van for local errands for seniors. The new Thursday service will allow Arlington seniors another means of doing errands. There will be a small amount of revenue generated.
- Increased DART –Taxi registration fee from \$5 to \$15 to generate additional revenue to offset increase in one-way fee for Taxi service
- Continued to partner with The Elizabeth and George L. Sanborn Foundation for the Treatment and Cure of Cancer, Inc. providing free transportation to/from cancer treatments.
- Successfully maintained the Medical Escort Program which provides free & escorted transportation to medical appointments.

Performance / Workload Indicators

<i>Council on Aging Transportation Fund</i>	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Annual number - one way rides	6,900	7,100	7,200	7,400
Taxi rides	3,000	3,000	2,800	3,100





Program Description

Arlington Youth Counseling Center is a licensed mental health agency whose mission is to promote and support the social and emotional well-being of all Arlington's youth and families. This mission is accomplished through:

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

Budget Statement

The Arlington Youth Counseling Center is expected to increase the amount of clients seen in FY2014 by 20% due to an increase in the number of Fee for Service Clinicians and the ability to more quickly and efficiently assign new clients. The agency is continuing to improve health insurance reimbursement collections as well as increase grants and private donations through fundraising. In addition, AYCC is launching an electronic billing and medical records system which will save time and improve accuracy of tracking clients and insurance reimbursement.

FY2014 Objectives

- Continue to increase financial sustainability.
- Plan and implement fund raising activities including developing a 5 year strategic plan.
- Investigate and apply for new grant monies and maintain existing renewable grants.
- Increase use of marketing to get message out to potential clients, potential private financial contributors and community partners.
- Launch and implement Electronic Medical Records/Billing System.
- Continue to implement Quality Management Program in order to continue to provide high quality service to clients and the community.
- Continue to determine and refine appropriate model for staff development.
- Investigate strategies to ensure staff retention.
- Maintain group work program at current level by using existing designated funding and seeking new sources of reimbursement.
- Strive to continue to be a vibrant, responsive community mental health clinic by: offering groups which meet community needs, continue to provide consultation program to schools to teach intervention models for intervening in problems such as bullying, providing on-going training for clinicians on such topics as Collaborative Problem Solving, substance abuse and Motivational Interviewing, and continue to expand substance abuse treatment and consultation.
- Will continue to seek out funding to maintain and increase the case management program to manage the assistance programs.

PROGRAM COSTS

Youth Counseling Center Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Personnel Services	241,637	243,125	295,356	
Expenses	145,826	241,100	221,300	
Total	387,463	484,225	516,656	-



Major Accomplishments for 2012

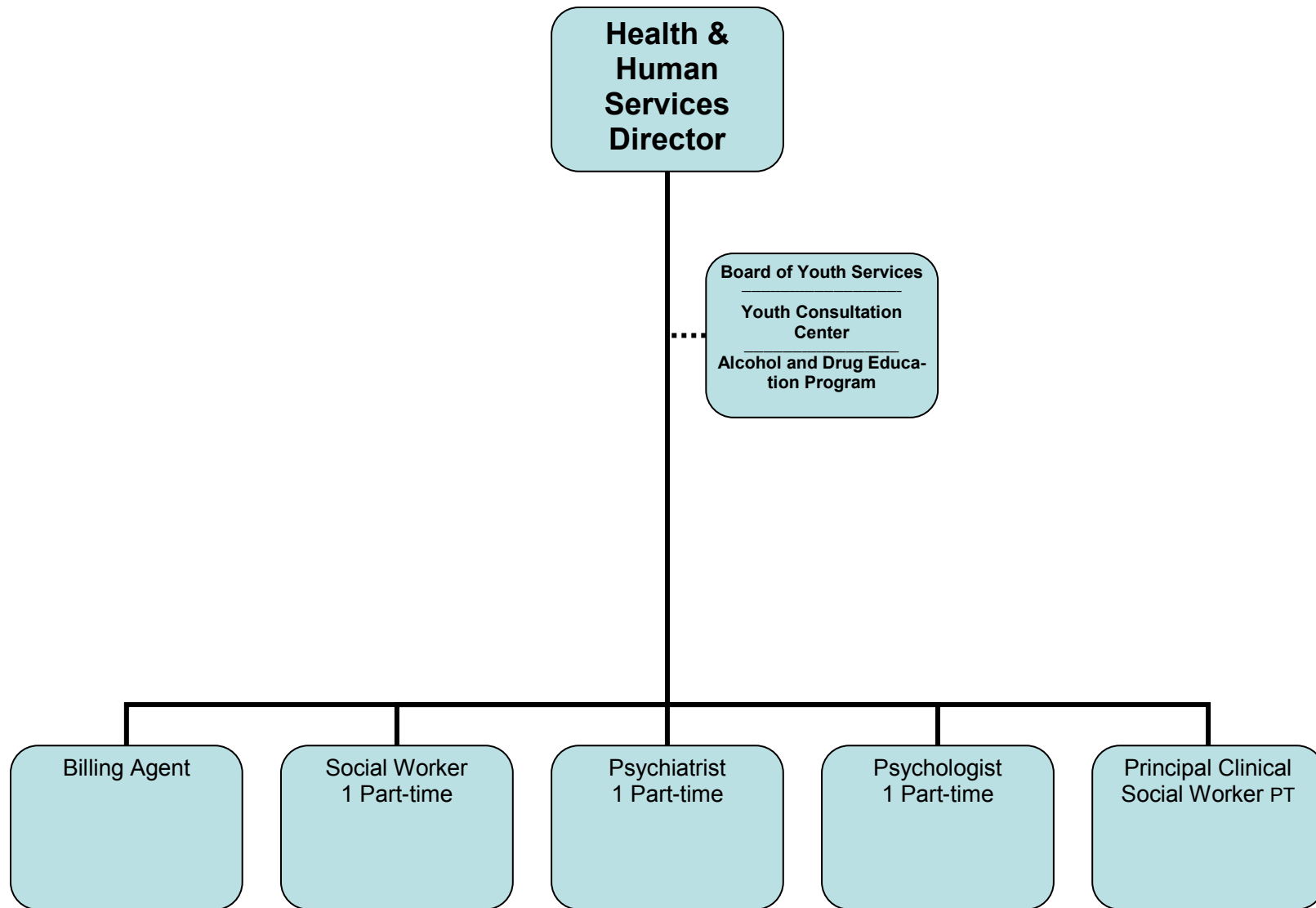
- Completed transition from town funded salary based counseling model to fee- for -service counseling model with current structure of small core administrative staff.
- Hired 13 fee-for- service clinicians with variety of skills and specialties and diverse backgrounds.
- Decreased patient time on waiting list.
- Continued to improve: financial sustainability by improving tracking of clients' insurance coverage, percentage of reimbursement from third party billing and policy regarding "no shows."
- Grants received from Highrock Church for case manager program and CHNA for substance abuse counseling.
- Team Up for AYCC Soccer Tournament held at Belmont Hill School raised \$10,000 for counseling services.
- Over 250 people attended the Second Annual Gala to support AYCC and \$30,000 raised.
- Investigated and began planning to implement new paperwork/billing software. This will enable more efficiency in billing and paperwork and better tracking of agency statistics and paperwork requirements.
- Continued to increased number and scope of groups which were offered: friendship /social skills groups, anger management group, bullying prevention group, multicultural support group, Parent Support groups, Domestic violence support group, and support group for grandparents raising grandchildren.
- Received from the Chamber of Commerce the "Community Investment Award," an award given to groups that make a difference in the community.

Performance / Workload Indicators

	FY2011 Actual	FY2012 Actual	FY2013 Estimated	FY2014 Estimated
Youth Services				
Counseling hours	1,560	3,118	3,742	4,116
Clients	125	278	333	366

STAFFING

Youth Counseling Center Enterprise Fund	FY2012 Actual	FY2013 Budget	FY2014 Request	FY2014 Fin Com
Managerial	0.8	1	1	
Clerical	0.57	0.8	1.5	
School Counseling Program (FTE)	0.0	0.0	0.0	
Professional/Technical	0.0	1.7	1.7	
Total	1.4	3.5	4.2	





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SECTION VI

CAPITAL IMPROVEMENT PROGRAM



SECTION VII

NON-APPROPRIATED EXPENSES



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 are 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.



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 2014 and the Capital Plan for FY 2014—2018 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 FY2014 and Capital Plan FY2014—2018

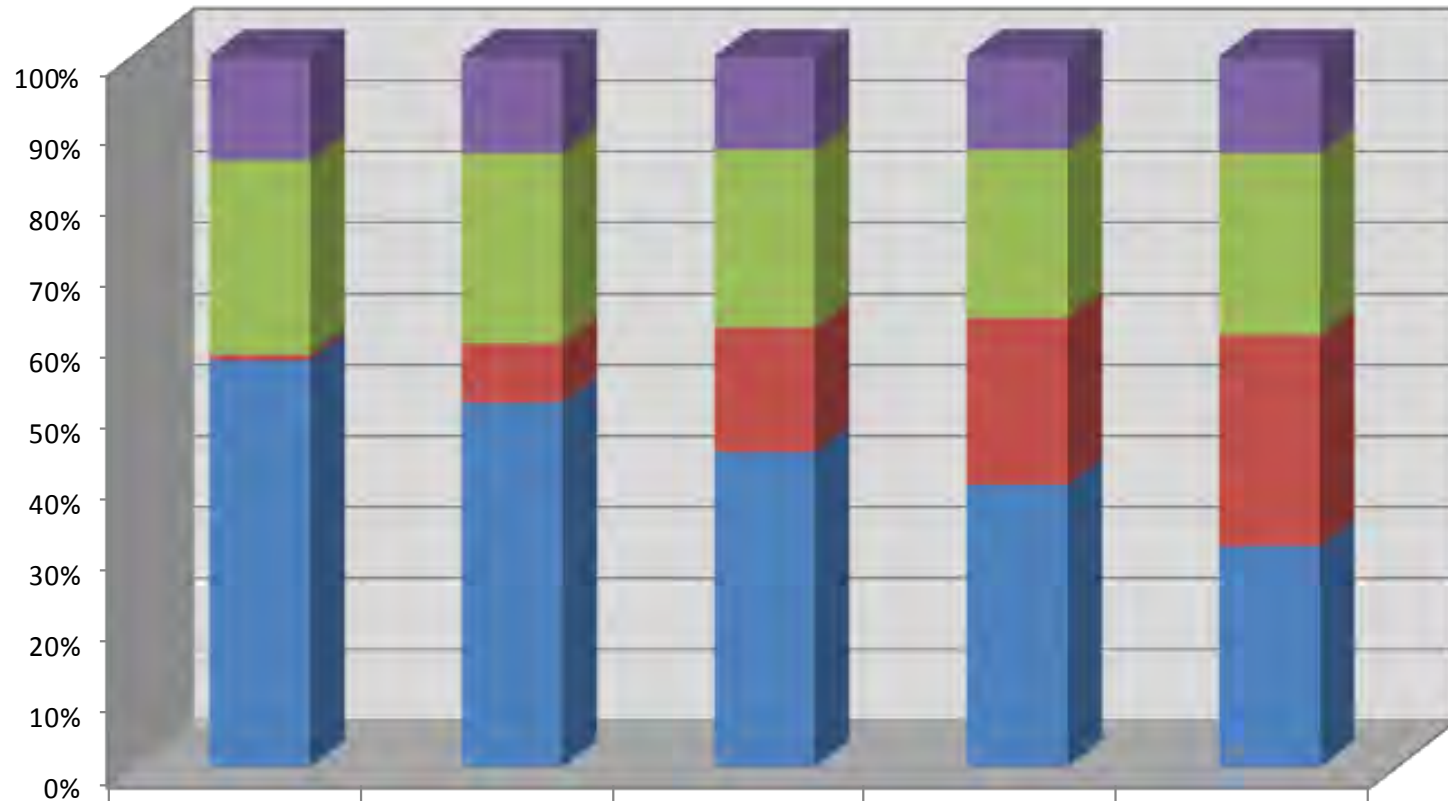
The Town's capital improvements program policies call for the allocation of approximately 5% of the general fund revenues to the capital budget. This is exclusive of dedicated funding sources such as enterprise funds, grants, and proposition 2 ½ debt exclusion projects. For FY2014 funding for the capital budget is as follows:

Bonding	\$ 3,575,550
Cash	\$ 1,450,700
Other	\$ 3,506,000

Our existing non-exempt debt is \$5,664,135 which is consistent with prior debt service projections for FY2014. The total capital budget for FY2014, including debt, is estimated at \$9.8 million. Major projects to be funded in FY2014 include: architectural design plans for the Central Fire Station at \$450,000, street and sidewalk work for approximately \$1.5 million, water and sewer work for \$2.5 million, and park renovation work for \$486,250. The FY2014 budget also includes \$200,000 for a new Rescue/Ambulance, and \$131,000 in funding for new police cruisers.



Capital Plan Appropriation



	FY2014	FY2015	FY2016	FY2017	FY2018
■ Cash	\$1,450,700	\$1,330,450	\$1,322,256	\$1,337,025	\$1,230,863
■ Exempt Debt*	\$2,711,495	\$2,618,083	\$2,509,275	\$2,401,073	\$2,303,492
■ New Non-Exempt Debt	\$83,475	\$817,248	\$1,750,394	\$2,373,735	\$2,663,875
■ Existing Non-Exempt Debt	\$5,664,135	\$5,000,254	\$4,436,956	\$4,028,377	\$2,796,884

*Exclusive of Symmes debt service FY2014 –2018



Capital Budget Fiscal Year 2014

Department/Program	BOND	CASH	OTHER	Grand Total
COMMUNITY SAFETY - FIRE SERVICES	\$776,000			\$776,000
DEPARTMENTAL PROJECT	\$56,000			\$56,000
Automatic Defibrillators	\$16,000			\$16,000
Protective Gear Replacement	\$40,000			\$40,000
EQUIPMENT REPLACEMENT	\$70,000			\$70,000
Breathing apparatus, SCBA	\$70,000			\$70,000
INFRASTRUCTURE IMPROVEMENT	\$450,000			\$450,000
Headquarters - Architectural Plans	\$450,000			\$450,000
VEHICLE REPLACEMENT	\$200,000			\$200,000
Ambulance replacement	\$200,000			\$200,000
COMMUNITY SAFETY - POLICE SERVICES	\$25,000	\$212,000		\$237,000
DEPARTMENTAL PROJECT	\$25,000	\$43,500		\$68,500
Digital fingerprint imaging machine	\$25,000			\$25,000
Laser Radar		\$3,500		\$3,500
Online Reporting System		\$19,000		\$19,000
Universal Forensic Extraction Device		\$4,500		\$4,500
Window Treatments		\$16,500		\$16,500
EQUIPMENT REPLACEMENT		\$32,000		\$32,000
Bullet Proof Vest Program		\$15,000		\$15,000
Parking Hand Held Ticket Machines		\$10,000		\$10,000
Security System		\$7,000		\$7,000
PHOTOCOPIER PROGRAM		\$5,500		\$5,500
Photocopier		\$5,500		\$5,500
VEHICLE REPLACEMENT		\$131,000		\$131,000
Vehicle Replacement Program		\$131,000		\$131,000
COUNCIL ON AGING TRANSPORTATION ENTERPRISE FUND			\$11,000	\$11,000
VEHICLE REPLACEMENT			\$11,000	\$11,000
Van Replacement Program			\$11,000	\$11,000



Capital Budget Fiscal Year 2014 (continued)

Department/Program	BOND	CASH	OTHER	Grand Total
HEALTH & HUMAN SERVICES	\$70,000	\$5,600		\$75,600
INFRASTRUCTURE IMPROVEMENT	\$20,000			\$20,000
Whittemore Robbins House HVAC System	\$20,000			\$20,000
PHOTOCOPIER PROGRAM		\$5,600		\$5,600
AYCC Photocopier		\$2,800		\$2,800
Photocopier Lease - BOH/COA		\$2,800		\$2,800
PUBLIC BUILDING MAINTENANCE	\$50,000			\$50,000
Robbins House Cottage kitchen & bath INCREASE	\$50,000			\$50,000
INFORMATION TECHNOLOGY	\$450,300			\$450,300
INFORMATION TECHNOLOGY	\$450,300			\$450,300
Building Security Elements	\$20,000			\$20,000
Document Management System	\$25,000			\$25,000
Library MLN Equipment	\$30,200			\$30,200
Library -PC Vend Printing/Photocopier Project	\$5,100			\$5,100
School - Educational IT Program	\$125,000			\$125,000
School - Software Licensing	\$40,000			\$40,000
School Dept-Admin Micro Program	\$40,000			\$40,000
Software Upgrades & Standardization	\$30,000			\$30,000
Town Network Infrastructure	\$25,000			\$25,000
Town-Microcomputer Program	\$60,000			\$60,000
Wireless Assessments, 8 Schools Continue Upgrade	\$50,000			\$50,000
LEGAL/WORKERS' COMPENSATION		\$5,000		\$5,000
PHOTOCOPIER PROGRAM		\$5,000		\$5,000
Photocopier		\$5,000		\$5,000
LIBRARY	\$150,000	\$5,600		\$155,600
PUBLIC BUILDING MAINTENANCE	\$150,000	\$5,600		\$155,600
Exhaust fans		\$5,600		\$5,600
Repainting of 1892 Building	\$150,000			\$150,000



Capital Budget Fiscal Year 2014 (continued)

Department/Program	BOND	CASH	OTHER	Grand Total
PLANNING	\$60,000	\$125,500		\$185,500
DEPARTMENTAL PROJECT		\$85,000		\$85,000
Comprehensive Master Plan		\$75,000		\$75,000
Gibbs - Card Access 2 doors gym		\$10,000		\$10,000
EQUIPMENT REPLACEMENT	\$15,000			\$15,000
Gibbs - Replace AC Compressor	\$15,000			\$15,000
INFRASTRUCTURE IMPROVEMENT	\$45,000	\$38,000		\$83,000
Dallin - Paving		\$8,000		\$8,000
Gibbs - Interior Bathrooms	\$25,000			\$25,000
Gibbs - Lead Abatement	\$20,000			\$20,000
Parking Study - Arlington Center		\$30,000		\$30,000
PHOTOCOPIER PROGRAM		\$2,500		\$2,500
Photocopier/Equipment		\$2,500		\$2,500
PUBLIC WORKS ADMINISTRATION		\$27,000		\$27,000
DEPARTMENTAL PROJECT		\$25,000		\$25,000
Roadway Consulting Services		\$25,000		\$25,000
PHOTOCOPIER PROGRAM		\$2,000		\$2,000
Photocopier		\$2,000		\$2,000
PUBLIC WORKS CEMETERY DIVISION	\$400,000		\$10,000	\$410,000
DEPARTMENTAL PROJECT			\$10,000	\$10,000
Headstone Cleaning & Repair			\$10,000	\$10,000
INFRASTRUCTURE IMPROVEMENT	\$400,000			\$400,000
Water System Rehab	\$400,000			\$400,000
PUBLIC WORKS ENGINEERING DIVISION	\$170,000			\$170,000
INFRASTRUCTURE IMPROVEMENT	\$170,000			\$170,000
Opticom Updates Traffic Lights	\$70,000			\$70,000
Flood Mitigation Grant FEMA Millbrook	\$100,000			\$100,000



Capital Budget Fiscal Year 2014 (continued)

Department/Program	BOND	CASH	OTHER	Grand Total
PUBLIC WORKS HIGHWAY DIVISION	\$192,000	\$815,000	\$625,000	\$1,632,000
EQUIPMENT REPLACEMENT	\$37,000	\$5,000		\$42,000
Air Compressor (trailer mounted)	\$20,000			\$20,000
Sander Body	\$17,000			\$17,000
Small equipment		\$5,000		\$5,000
ROADS AND PATHS INFRASTRUCTURE	\$65,000	\$810,000	\$625,000	\$1,500,000
Chapter 90 Roadway			\$500,000	\$500,000
Install Sidewalk Ramps	\$65,000			\$65,000
Install Sidewalk Ramps CDBG			\$125,000	\$125,000
Roadway Reconstruction		\$350,000		\$350,000
Roadway Reconstruction Override 2011		\$410,000		\$410,000
Sidewalks and Curbstones		\$50,000		\$50,000
VEHICLE REPLACEMENT	\$90,000			\$90,000
Truck w/welder unit, 350 amp	\$90,000			\$90,000
PUBLIC WORKS NATURAL RESOURCES DIVISION	\$85,000	\$6,000		\$91,000
EQUIPMENT REPLACEMENT		\$6,000		\$6,000
Small equipment		\$6,000		\$6,000
VEHICLE REPLACEMENT	\$85,000			\$85,000
1 Ton Dump Truck w/Plow	\$50,000			\$50,000
Pickup 3/4 ton	\$35,000			\$35,000
PUBLIC WORKS PROPERTIES DIVISION	\$225,000	\$23,000		\$248,000
INFRASTRUCTURE IMPROVEMENT	\$225,000			\$225,000
High School Parking lot culvert	\$225,000			\$225,000
PUBLIC BUILDING MAINTENANCE		\$23,000		\$23,000
Buildings Rehab consultant Services		\$18,000		\$18,000
Fox Library Windows		\$5,000		\$5,000



Capital Budget Fiscal Year 2014 (continued)

Department/Program	BOND	CASH	OTHER	Grand Total
PUBLIC WORKS WATER/SEWER DIVISION			\$2,735,000	\$2,735,000
EQUIPMENT REPLACEMENT			\$105,000	\$105,000
Drainage Rehab-Regulatory Compliance (Ch-308)			\$100,000	\$100,000
Small equipment			\$5,000	\$5,000
INFRASTRUCTURE IMPROVEMENT			\$2,300,000	\$2,300,000
Hydrant replacement program			\$100,000	\$100,000
Lift Station upgrade			\$50,000	\$50,000
Sewer System Rehabilitation			\$1,400,000	\$1,400,000
Water System Rehabilitation			\$750,000	\$750,000
VEHICLE REPLACEMENT			\$330,000	\$330,000
Catch basin cleaner			\$330,000	\$330,000
RECREATION	\$526,250			\$526,250
PARKS & PLAYGROUNDS	\$486,250			\$486,250
Hibbert	\$288,750			\$288,750
North Union	\$197,500			\$197,500
PARKS PLAYGROUNDS & FIELDS	\$40,000			\$40,000
ADA Accessibility Study & Playground	\$40,000			\$40,000
REDEVELOPMENT BOARD			\$125,000	\$125,000
DEPARTMENTAL PROJECT			\$12,000	\$12,000
ARB - Central Two Security Cameras			\$12,000	\$12,000
EQUIPMENT REPLACEMENT			\$40,000	\$40,000
ARB - Central Boiler			\$40,000	\$40,000
INFRASTRUCTURE IMPROVEMENT			\$73,000	\$73,000
ARB - 23 Maple Street Exterior, repair paved walkways/landscape			\$3,000	\$3,000
ARB - 23 Maple Street Mechanical/Electrical/Plumbing			\$10,000	\$10,000
ARB - Central Exterior Trim/Brick/Stone/Chimney Repairs			\$20,000	\$20,000
ARB - Central Interior baths, halls, lobby			\$15,000	\$15,000
ARB - Jefferson Cutter Interior baths, halls, stairwells			\$10,000	\$10,000
ARB - Jefferson New Fire Alarm Panel			\$15,000	\$15,000



Capital Budget Fiscal Year 2014 (continued)

Department/Program	BOND	CASH	OTHER	Grand Total
SCHOOLS	\$446,000	\$216,500		\$662,500
EQUIPMENT REPLACEMENT	\$170,000	\$36,000		\$206,000
Chiller - Pierce School	\$150,000			\$150,000
Heating & Ventilation units High School		\$10,000		\$10,000
Replace Fire Control Inst. Alarm Panels HS	\$20,000			\$20,000
Replace ventilating rooftop units		\$6,000		\$6,000
Small Equipment and Tools		\$5,000		\$5,000
Stratton Furniture & Classroom Improvements		\$15,000		\$15,000
INFRASTRUCTURE IMPROVEMENT		\$55,500		\$55,500
Furnishings World Language Lab at HS		\$12,000		\$12,000
Major Equip for Music Department		\$3,500		\$3,500
Stratton Building Improvements		\$10,000		\$10,000
Stratton Facilities Plan		\$15,000		\$15,000
Window replacement on 5th fl AHS		\$15,000		\$15,000
MAJOR REPAIRS	\$225,000	\$5,000		\$230,000
AHS F Building Boiler	\$225,000			\$225,000
Asbestos Abatement - Remove Tiles		\$5,000		\$5,000
PHOTOCOPIER PROGRAM		\$120,000		\$120,000
Photocopier Lease Program		\$120,000		\$120,000
PUBLIC BUILDING MAINTENANCE	\$16,000			\$16,000
High School -Replace heating and ventilation units	\$10,000			\$10,000
High School -Replace ventilating rooftop units	\$6,000			\$6,000
STUDENT TRANSPORTATION	\$35,000			\$35,000
Athletics Van - 8 passenger	\$35,000			\$35,000



Capital Budget Fiscal Year 2014 (continued)

Department/Program	BOND	CASH	OTHER	Grand Total
TOWN MANAGER		\$5,000		\$5,000
PHOTOCOPIER PROGRAM		\$5,000		\$5,000
Photocopier		\$5,000		\$5,000
TREASURER		\$4,500		\$4,500
PHOTOCOPIER PROGRAM		\$4,500		\$4,500
Photocopier		\$4,500		\$4,500
Grand Total	\$3,575,550	\$1,450,700	\$3,506,000	\$8,532,250



CAPITAL PLAN FY2014—2018

Department/Program	2014	2015	2016	2017	2018	Grand Total
BOARD OF SELECTMEN			\$5,000	\$5,000	\$5,000	\$15,000
PHOTOCOPIER PROGRAM			\$5,000	\$5,000	\$5,000	\$15,000
Photocopier lease			\$5,000	\$5,000	\$5,000	\$15,000
COMMUNITY SAFETY - FIRE SERVICES	\$776,000	\$5,750,000	\$110,000	\$925,000	\$600,000	\$8,161,000
DEPARTMENTAL PROJECT	\$56,000	\$40,000	\$40,000			\$136,000
Automatic Defibrillators	\$16,000					\$16,000
Protective Gear Replacement	\$40,000	\$40,000	\$40,000			\$120,000
EQUIPMENT REPLACEMENT	\$70,000	\$70,000	\$70,000			\$210,000
Breathing apparatus, SCBA	\$70,000	\$70,000	\$70,000			\$210,000
INFRASTRUCTURE IMPROVEMENT	\$450,000	\$5,600,000				\$6,050,000
Fire Station - Central		\$5,600,000				\$5,600,000
Headquarters - Architectural Plans	\$450,000					\$450,000
VEHICLE REPLACEMENT	\$200,000	\$40,000		\$925,000	\$600,000	\$1,765,000
Ambulance replacement	\$200,000					\$200,000
Ladder 1 #1009				\$925,000		\$925,000
Purchase new Engine/Pump - replace #1007					\$600,000	\$600,000
Replace C2		\$40,000				\$40,000
COMMUNITY SAFETY - POLICE SERVICES	\$237,000	\$454,500	\$2,452,000	\$182,500	\$322,000	\$3,648,000
DEPARTMENTAL PROJECT	\$68,500	\$19,000	\$35,000	\$24,500	\$161,500	\$308,500
"Your Speed" Traffic Display			\$5,000		\$5,000	\$10,000
AVL Automatic Vehicle Location System				\$6,000		\$6,000
Certified Patrol/Narcotic K9			\$10,000			\$10,000
Digital fingerprint imaging machine	\$25,000					\$25,000
Laser Radar	\$3,500	\$4,500	\$4,500	\$4,500	\$4,500	\$21,500
Online Reporting System	\$19,000					\$19,000
Radio Upgrade/Replacement Program		\$13,000	\$14,000	\$14,000	\$14,000	\$55,000
Tablet Personnel Computers					\$63,000	\$63,000
Traffic Counters		\$1,500	\$1,500			\$3,000
Universal Forensic Extraction Device	\$4,500					\$4,500
Weapons Range Modification					\$75,000	\$75,000
Window Treatments	\$16,500					\$16,500



CAPITAL PLAN FY2014—2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
EQUIPMENT REPLACEMENT	\$32,000	\$53,000	\$38,000	\$21,000	\$23,000	\$167,000
Automated External Defibrillators		\$16,000				\$16,000
Bullet Proof Vest Program	\$15,000	\$17,000	\$17,000	\$15,000	\$17,000	\$81,000
Parking Hand Held Ticket Machines	\$10,000					\$10,000
Records Management Server Upgrade		\$15,000				\$15,000
Security System	\$7,000	\$5,000	\$6,000	\$6,000	\$6,000	\$30,000
Speed Trailer Replacement			\$15,000			\$15,000
PHOTOCOPIER PROGRAM	\$5,500	\$5,500	\$6,000	\$6,000	\$6,500	\$29,500
Photocopier	\$5,500	\$5,500	\$6,000	\$6,000	\$6,500	\$29,500
PUBLIC BUILDING MAINTENANCE		\$246,000	\$2,214,000			\$2,460,000
C.S. Building Renovations -5 Year plan		\$246,000	\$2,214,000			\$2,460,000
VEHICLE REPLACEMENT	\$131,000	\$131,000	\$159,000	\$131,000	\$131,000	\$683,000
Vehicle Replacement Program	\$131,000	\$131,000	\$159,000	\$131,000	\$131,000	\$683,000
COUNCIL ON AGING TRANSPORTATION ENTERPRISE FUND	\$11,000			\$11,000		\$22,000
VEHICLE REPLACEMENT	\$11,000			\$11,000		\$22,000
Van Replacement Program	\$11,000			\$11,000		\$22,000
HEALTH & HUMAN SERVICES	\$75,600	\$5,600	\$155,200	\$2,400	\$2,800	\$241,600
INFRASTRUCTURE IMPROVEMENT	\$20,000					\$20,000
Whittemore Robbins House HVAC System	\$20,000					\$20,000
PHOTOCOPIER PROGRAM	\$5,600	\$5,600	\$5,200	\$2,400	\$2,800	\$21,600
AYCC Photocopier	\$2,800	\$2,800	\$2,800	\$2,400		\$10,800
Photocopier Lease - BOH/COA	\$2,800	\$2,800	\$2,400		\$2,800	\$10,800
PUBLIC BUILDING MAINTENANCE	\$50,000		\$150,000			\$200,000
Robbins House Cottage kitchen & bath INCREASE	\$50,000					\$50,000
Whittemore Robbins House			\$150,000			\$150,000



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
INFORMATION TECHNOLOGY	\$450,300	\$389,400	\$368,610	\$523,900	\$330,300	\$2,062,510
INFORMATION TECHNOLOGY	\$450,300	\$389,400	\$368,610	\$523,900	\$330,300	\$2,062,510
Building Security Elements	\$20,000	\$20,000	\$20,000			\$60,000
Document Management System	\$25,000	\$25,000	\$25,000			\$75,000
Library MLN Equipment	\$30,200	\$19,300	\$23,510	\$23,800	\$30,200	\$127,010
Library -PC Vend Printing/Photocopier Project	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100	\$25,500
Replacement of Receivable Package				\$200,000		\$200,000
School - Educational IT Program	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$625,000
School - Software Licensing	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
School Dept-Admin Micro Program	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$200,000
Software Upgrades & Standardization	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$150,000
Town Network Infrastructure	\$25,000	\$25,000				\$50,000
Town-Microcomputer Program	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$300,000
Wireless Assessments, 8 Schools Continue Upgrade	\$50,000					\$50,000
INSPECTIONS			\$25,000			\$25,000
VEHICLE REPLACEMENT			\$25,000			\$25,000
Vehicle - Plumbing			\$25,000			\$25,000
LEGAL/WORKERS' COMPENSATION	\$5,000	\$5,000		\$5,000	\$5,000	\$20,000
PHOTOCOPIER PROGRAM	\$5,000	\$5,000		\$5,000	\$5,000	\$20,000
Photocopier	\$5,000	\$5,000		\$5,000	\$5,000	\$20,000
LIBRARY	\$155,600	\$31,100	\$63,200	\$85,100	\$45,200	\$380,200
PHOTOCOPIER PROGRAM		\$2,800	\$2,800	\$2,800		\$8,400
Photocopier		\$2,800	\$2,800	\$2,800		\$8,400
PUBLIC BUILDING MAINTENANCE	\$155,600	\$28,300	\$40,400	\$82,300	\$45,200	\$351,800
Doors				\$38,000		\$38,000
Exhaust fans	\$5,600	\$5,800	\$5,800	\$5,800		\$23,000
Heating/Cooling Water Pumps			\$21,400			\$21,400
Hot Water Heater			\$6,000			\$6,000
HVAC Blowers				\$8,500		\$8,500
HVAC Coil/Air Handler Unit				\$17,000		\$17,000
Ramp and Stairs				\$13,000		\$13,000
Repair Honeywell 3 way valves & controller			\$7,200			\$7,200
Repointing - 1992 Addition		\$22,500				\$22,500
Repointing of 1892 Building	\$150,000					\$150,000
Windows- 1892 Building					\$45,200	\$45,200



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
VEHICLE REPLACEMENT			\$20,000			\$20,000
Library Van			\$20,000			\$20,000
PLANNING	\$185,500	\$17,500	\$22,500	\$42,500	\$2,500	\$270,500
DEPARTMENTAL PROJECT	\$85,000					\$85,000
Comprehensive Master Plan	\$75,000					\$75,000
Gibbs - Card Access 2 doors gym	\$10,000					\$10,000
EQUIPMENT REPLACEMENT	\$15,000					\$15,000
Gibbs - Replace AC Compressor	\$15,000					\$15,000
INFRASTRUCTURE IMPROVEMENT	\$83,000	\$15,000	\$20,000	\$40,000		\$158,000
BOS - Parmenter Oil Tank Removal		\$15,000				\$15,000
Dallin - Paving	\$8,000					\$8,000
Dallin Library Exterior Painting				\$20,000		\$20,000
Gibbs - Interior Bathrooms	\$25,000					\$25,000
Gibbs - Lead Abatement	\$20,000					\$20,000
MGR - Gibbs oil tank removal			\$20,000			\$20,000
Parking Study - Arlington Center	\$30,000					\$30,000
Parmenter roof repairs for slate & gutters				\$20,000		\$20,000
PHOTOCOPIER PROGRAM	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500
Photocopier/Equipment	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500
PUBLIC WORKS ADMINISTRATION	\$27,000	\$34,000	\$2,000	\$57,000		\$120,000
DEPARTMENTAL PROJECT	\$25,000	\$32,000		\$57,000		\$114,000
Mall Lights		\$32,000		\$32,000		\$64,000
Roadway Consulting Services	\$25,000			\$25,000		\$50,000
PHOTOCOPIER PROGRAM	\$2,000	\$2,000	\$2,000			\$6,000
Photocopier	\$2,000	\$2,000	\$2,000			\$6,000
PUBLIC WORKS CEMETERY DIVISION	\$410,000	\$350,000	\$260,000	\$10,000	\$10,000	\$1,040,000
DEPARTMENTAL PROJECT	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000
Headstone Cleaning & Repair	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$50,000



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
INFRASTRUCTURE IMPROVEMENT	\$400,000					\$400,000
Water System Rehab	\$400,000					\$400,000
PUBLIC BUILDING MAINTENANCE			\$250,000			\$250,000
Garage Renovation/ Rehab Chapel/HVAC			\$250,000			\$250,000
ROADS AND PATHS INFRASTRUCTURE		\$230,000				\$230,000
Roadway Improvements		\$230,000				\$230,000
VEHICLE REPLACEMENT		\$110,000				\$110,000
Backhoe		\$110,000				\$110,000
PUBLIC WORKS ENGINEERING DIVISION	\$170,000	\$140,000	\$300,000	\$30,000		\$640,000
INFRASTRUCTURE IMPROVEMENT	\$170,000	\$140,000	\$300,000			\$610,000
GPS Survey Equipment		\$15,000				\$15,000
Opticom Updates Traffic Lights	\$70,000					\$70,000
Flood Mitigation Grant FEMA Millbrook	\$100,000	\$125,000	\$300,000			\$525,000
VEHICLE REPLACEMENT				\$30,000		\$30,000
Utility Vehicle				\$30,000		\$30,000
PUBLIC WORKS HIGHWAY DIVISION	\$1,632,000	\$2,014,250	\$1,771,756	\$1,631,525	\$1,819,563	\$8,869,094
EQUIPMENT REPLACEMENT	\$42,000	\$34,000	\$135,000	\$34,000	\$22,000	\$267,000
Air Compressor (trailer mounted)	\$20,000					\$20,000
Backhoe/Loader 1.5 CY			\$113,000			\$113,000
Sander Body	\$17,000	\$17,000	\$17,000	\$17,000	\$17,000	\$85,000
Small equipment	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
Snow Plow - (1 per 2 yr.)		\$12,000		\$12,000		\$24,000
INFRASTRUCTURE IMPROVEMENT			\$99,000			\$99,000
Replace Retaining Wall - Westminster Ave			\$99,000			\$99,000
ROADS AND PATHS INFRASTRUCTURE	\$1,500,000	\$1,510,250	\$1,395,756	\$1,406,525	\$1,417,563	\$7,230,094
Chapter 90 Roadway	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,500,000
Install Sidewalk Ramps	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$325,000
Install Sidewalk Ramps CDBG	\$125,000	\$125,000				\$250,000
Roadway Reconstruction	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000	\$1,750,000
Roadway Reconstruction Override 2011	\$410,000	\$420,250	\$430,756	\$441,525	\$452,563	\$2,155,094
Sidewalks and Curbstones	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
VEHICLE REPLACEMENT	\$90,000	\$470,000	\$142,000	\$191,000	\$380,000	\$1,273,000
1 Ton Utility w/Gate Lift				\$47,000		\$47,000
3/4 Ton Pick-up, 4wd w/Plow (2)		\$80,000			\$85,000	\$165,000
33,000 GVW Dump Truck		\$90,000				\$90,000
4WD Truck w/Sander		\$140,000	\$142,000	\$144,000		\$426,000
Catch Basin Cleaner - Clam Shell					\$120,000	\$120,000
Loader 2.5CY Capacity		\$160,000				\$160,000
Loader 3 CY Capacity					\$175,000	\$175,000
Truck w/welder unit, 350 amp	\$90,000					\$90,000
PUBLIC WORKS NATURAL RESOURCES DIVISION	\$91,000	\$45,000	\$141,000	\$80,000	\$256,000	\$613,000
EQUIPMENT REPLACEMENT	\$6,000		\$141,000		\$256,000	\$403,000
Mini-Loader (Skid-Steer) w/Sidewalk Plow & Snow Blower			\$135,000			\$135,000
Small equipment	\$6,000		\$6,000		\$6,000	\$18,000
Work Crane - 120' Boom					\$250,000	\$250,000
VEHICLE REPLACEMENT	\$85,000	\$45,000		\$80,000		\$210,000
1 Ton Dump Truck w/Plow	\$50,000					\$50,000
1 Ton Utility Truck w/Gate		\$45,000				\$45,000
Fork Lift				\$80,000		\$80,000
Pickup 3/4 ton	\$35,000					\$35,000
PUBLIC WORKS PROPERTIES DIVISION	\$248,000	\$28,000	\$418,000	\$100,000	\$118,000	\$912,000
INFRASTRUCTURE IMPROVEMENT	\$225,000		\$400,000	\$100,000	\$100,000	\$825,000
DPW Yard Bldg C Replace Spanish Tile Roof			\$300,000			\$300,000
High School Parking lot culvert	\$225,000					\$225,000
Town Hall Renovation Program			\$100,000	\$100,000	\$100,000	\$300,000
PUBLIC BUILDING MAINTENANCE	\$23,000		\$18,000		\$18,000	\$59,000
Buildings Rehab consultant Services	\$18,000		\$18,000		\$18,000	\$54,000
Fox Library Windows	\$5,000					\$5,000
VEHICLE REPLACEMENT		\$28,000				\$28,000
Van		\$28,000				\$28,000



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
PUBLIC WORKS WATER/SEWER DIVISION	\$2,735,000	\$2,405,000	\$2,483,000	\$2,452,000	\$2,580,000	\$12,655,000
EQUIPMENT REPLACEMENT	\$105,000	\$155,000	\$155,000	\$155,000	\$330,000	\$900,000
Backhoe					\$125,000	\$125,000
Drainage Rehab-Regulatory Compliance (Ch-308)	\$100,000	\$150,000	\$150,000	\$150,000	\$200,000	\$750,000
Small equipment	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
INFRASTRUCTURE IMPROVEMENT	\$2,300,000	\$2,250,000	\$2,250,000	\$2,250,000	\$2,250,000	\$11,300,000
Hydrant replacement program	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Lift Station upgrade	\$50,000					\$50,000
Sewer System Rehabilitation	\$1,400,000	\$1,300,000	\$850,000	\$850,000	\$850,000	\$5,250,000
Water System Rehabilitation	\$750,000	\$850,000	\$1,300,000	\$1,300,000	\$1,300,000	\$5,500,000
VEHICLE REPLACEMENT	\$330,000		\$78,000	\$47,000		\$455,000
Catch basin cleaner	\$330,000					\$330,000
FlatBed 8-ton Truck - Generator Mount			\$78,000			\$78,000
Utility Truck				\$47,000		\$47,000
RECREATION	\$526,250	\$542,500	\$516,000	\$439,000	\$640,000	\$2,663,750
PARKS & PLAYGROUNDS	\$486,250	\$542,500	\$516,000	\$439,000	\$640,000	\$2,623,750
Feasibility Study			\$10,000	\$10,000	\$10,000	\$30,000
Hibbert	\$288,750					\$288,750
Magnolia Field Basketball Court Renovation		\$75,000				\$75,000
North Union	\$197,500					\$197,500
Reservoir Beach					\$630,000	\$630,000
Robbins Farm			\$506,000			\$506,000
Spy Pond Tennis Courts		\$467,500				\$467,500
Wellington Playground				\$429,000		\$429,000
PARKS PLAYGROUNDS & FIELDS	\$40,000					\$40,000
ADA Accessibility Study & Playground	\$40,000					\$40,000



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
REDEVELOPMENT BOARD	\$125,000	\$225,000	\$65,000			\$415,000
DEPARTMENTAL PROJECT	\$12,000					\$12,000
ARB - Central Two Security Cameras	\$12,000					\$12,000
EQUIPMENT REPLACEMENT	\$40,000					\$40,000
ARB - Central Boiler	\$40,000					\$40,000
INFRASTRUCTURE IMPROVEMENT	\$73,000	\$105,000	\$65,000			\$243,000
ARB - 23 Maple Roof/Gutter Downspout/chimney		\$40,000				\$40,000
ARB - 23 Maple Street Exterior, repair paved walkways/landscap	\$3,000					\$3,000
ARB - 23 Maple Street Mechanical/Electrica/Plumbing	\$10,000					\$10,000
ARB - 23 Maple Street remove oil tank			\$15,000			\$15,000
ARB - Central Exterior Trim/Brick/Stone/Chimney Repairs	\$20,000		\$20,000			\$40,000
ARB - Central Interior baths, halls, lobby	\$15,000					\$15,000
ARB - Central Mechanical/Electrica/Plumbing/Elevator		\$55,000				\$55,000
ARB - Central Oil Tank De-commissioning			\$15,000			\$15,000
ARB - Jefferson Cutter Exterior Chimney/Trim/Walls/Windows		\$10,000				\$10,000
ARB - Jefferson Cutter Interior baths, halls, stairwells	\$10,000					\$10,000
ARB - Jefferson Cutter/Gutter Downspout/chimney			\$15,000			\$15,000
ARB - Jefferson New Fire Alarm Panel	\$15,000					\$15,000
MAJOR REPAIRS		\$120,000				\$120,000
ARB - Central Parking Lot Replacement		\$120,000				\$120,000
SCHOOLS	\$662,500	\$890,000	\$725,000	\$740,000	\$685,000	\$3,702,500
EQUIPMENT REPLACEMENT	\$206,000	\$20,000	\$20,000	\$20,000	\$20,000	\$286,000
Chiller - Pierce School	\$150,000					\$150,000
Heating & Ventilation units High School	\$10,000					\$10,000
Replace Fire Control Inst. Alarm Panels HS	\$20,000					\$20,000
Replace ventilating rooftop units	\$6,000					\$6,000
Small Equipment and Tools	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
Stratton Furniture & Classroom Improvements	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
INFRASTRUCTURE IMPROVEMENT	\$55,500	\$100,000	\$250,000	\$400,000	\$500,000	\$1,305,500
Furnishings World Language Lab at HS	\$12,000					\$12,000
Major Equip for Music Department	\$3,500					\$3,500
Stratton Building Improvements	\$10,000	\$100,000	\$250,000	\$400,000	\$500,000	\$1,260,000
Stratton Facilities Plan	\$15,000					\$15,000
Window replacement on 5th fl AHS	\$15,000					\$15,000
MAJOR REPAIRS	\$230,000	\$545,000	\$5,000	\$35,000	\$5,000	\$820,000
AHS Exterior Doors		\$30,000		\$30,000		\$60,000
AHS F Building Boiler	\$225,000					\$225,000
Asbestos Abatement - Remove Tiles	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$25,000
High School - HVAC steam trap replacement		\$10,000				\$10,000
Peirce Field Replace Turf		\$500,000				\$500,000
PHOTOCOPIER PROGRAM	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$600,000
Photocopier Lease Program	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$600,000
PUBLIC BUILDING MAINTENANCE	\$16,000		\$40,000			\$56,000
Brackett School - exterior paving			\$40,000			\$40,000
High School -Replace heating and ventilation units	\$10,000					\$10,000
High School -Replace ventilating rooftop units	\$6,000					\$6,000
ROADS AND PATHS INFRASTRUCTURE			\$40,000			\$40,000
Exterior paving Brackett			\$40,000			\$40,000
STUDENT TRANSPORTATION	\$35,000	\$65,000	\$225,000	\$130,000		\$455,000
Athletics Van - 8 passenger	\$35,000					\$35,000
Bus #102 53 passenger bus			\$95,000			\$95,000
Bus #103 77 passenger bus				\$130,000		\$130,000
Bus 105 - 8 7-D Tahoe		\$40,000				\$40,000
Bus -77 Passenger #104			\$130,000			\$130,000
Van 110 - 8 passenger 7-D minivan		\$25,000				\$25,000
VEHICLE REPLACEMENT		\$40,000	\$25,000	\$35,000	\$40,000	\$140,000
Maintenance Service Van		\$40,000	\$25,000		\$40,000	\$105,000
Maintenance Truck w/plow				\$35,000		\$35,000



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Department/Program	2014	2015	2016	2017	2018	Grand Total
TOWN MANAGER	\$5,000	\$5,000	\$3,000			\$13,000
PHOTOCOPIER PROGRAM	\$5,000	\$5,000	\$3,000			\$13,000
Photocopier	\$5,000	\$5,000	\$3,000			\$13,000
TREASURER	\$4,500	\$101,000	\$6,000	\$5,000		\$116,500
EQUIPMENT REPLACEMENT		\$95,000				\$95,000
Replace 4 Digital Pymt Parking Meters		\$95,000				\$95,000
PHOTOCOPIER PROGRAM	\$4,500	\$6,000	\$6,000	\$5,000		\$21,500
Photocopier	\$4,500	\$6,000	\$6,000	\$5,000		\$21,500
VETERANS' MEMORIAL RINK ENTERPRISE FUND		\$265,000	\$110,000			\$375,000
INFRASTRUCTURE IMPROVEMENT		\$265,000	\$110,000			\$375,000
Rink Renovations: Electrical/ Lighting			\$110,000			\$110,000
Rink Renovations: Zamboni room/Locker rooms		\$265,000				\$265,000
Grand Total	\$8,532,250	\$13,697,850	\$10,002,266	\$7,326,925	\$7,421,363	\$46,980,654



CAPITAL PLAN FY2014 –2018 (CONTINUED)

Funding Source	2014	2015	2016	2017	2018	Grand Total
BOND	\$3,575,550	\$9,127,400	\$5,582,010	\$3,016,900	\$2,957,500	\$24,259,360
CASH	\$1,450,700	\$1,330,450	\$1,322,256	\$1,337,025	\$1,230,863	\$6,671,294
OTHER	\$3,506,000	\$3,240,000	\$3,098,000	\$2,973,000	\$3,233,000	\$16,050,000
Grand Total	\$8,532,250	\$13,697,850	\$10,002,266	\$7,326,925	\$7,421,363	\$46,980,654

NON-APPROPRIATED EXPENSES



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



NON-APPROPRIATED EXPENSES

This category includes mandated assessments and expenditures, which are automatically added to the tax rate without appropriation. Overall, non-appropriated expenses are anticipated to decrease \$197,479 (4.3%) for FY2014. The total projected State Assessments for FY2014 is \$3,072,843, an increase of \$83,160 from FY2013. The MBTA accounts for \$2,746,280 of this total and is increasing 1%. The remaining Non-Appropriated expenses include Cherry Sheet Offsets, Court Judgments and Deficits, and Tax Abatement Overlay. These items total \$1,687,179, which is a decrease of \$226,970 from FY2013.

Non-Appropriated Expenses	FY2012 Actual	FY2013 Actual (Recap)	FY2014 Budget	Budget Change
State Assessments				
MBTA	2,515,239	2,716,789	2,746,280	29,491
RMV Non-Renewal Surcharge	52,060	47,600	51,480	3,880
Air Pollution Districts	13,415	13,969	14,843	874
Metropolitan Area Planning Council (MAPC)	12,695	13,497	13,835	338
Special Education Charge	-	-	587	587
Charter School tuition	252,662	197,828	245,818	47,990
State Assessments Sub-total	2,846,071	2,989,683	3,072,843	83,160
Cherry Sheet Offsets	62,085	61,138	60,566	(572)
Tax Abatement Overlay	808,924	1,454,204	600,000	(854,204)
Court Judgments & Deficits	621,741	125,863	700,000	574,137
Total	4,338,821	4,630,888	4,433,409	(197,479)

***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 was 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. Assessments are also weighted by the level of service within each community.

For FY2014, the Town's assessment will increase \$29,491 or 1%. The increase is substantially less than the 8% increase incurred in FY13.

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 FY2014 surcharge assessment is estimated at \$51,480, an increase of \$3,880.

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 FY2014 are estimated at \$14,843, an increase of \$874.

METROPOLITAN AREA PLANNING COUNCIL

The basic purpose of the Council is to coordinate and assist communities in their planning efforts, particularly for those activities or projects that may have a regional impact. The per capita assessment for FY2014 is estimated at \$13,835, an increase of \$338 over FY2013.



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 FY2014 is estimated on the preliminary Cherry Sheet at \$245,818 an increase of \$47,990 from FY2013.

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 \$18,819.

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 decrease slightly to a total of \$41,747.



TAX ABATEMENT OVERLAY

State law requires that the Assessors put aside funds from each tax levy in a reserve that is called an Overlay. This account is established in anticipation that a certain percentage of the tax levy may end up being abated. Individual tax abatements are paid out of this fund. The final amount of the overlay account is determined by the Assessors and added to the tax rate without appropriation, and is usually set at anywhere from 1% to 2.5% of the tax levy. In revaluation years, which occur every three years, the overlay account is usually set at a higher amount in anticipation of an increased number of abatements. In other years, the overlay is set closer to \$600,000. For FY2014, which is not a revaluation year, the overlay will be set at \$600,000. Any surplus left in an overlay account is appropriated by Town Meeting in much the same manner as free cash. Below is a chart showing the disposition of Overlay funds for the last three years, showing a total remaining balance of approximately \$627,891. Prior to FY2010, the reserve balance from all prior fiscal years is \$126,985. Adding all these balances amounts to just over \$754,876. From these reserve balances, \$200,000 is proposed to be declared surplus and be used in FY2014.

Tax Abatement Overlay Funds

	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>
Overlay Amount	\$1,153,427	\$670,331	\$808,924
Abatements & Exemptions To-Date	(\$512,346)	(\$466,664)	(\$265,781)
Declared Surplus To General Fund	<u>(\$580,000)</u>	<u>(80,000)</u>	<u>(\$100,000)</u>
Available Balance	\$61,081	\$123,667	\$443,143

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 addition, as a result of a special act of the legislature, any tax revenue from the Symmes project is debited here as a reserve to pay down the debt for the Symmes project. Once the debt is paid off, the taxes associated with the project will go into the general fund like all other property taxes.

In FY2013, the total of these items was \$125,863. For FY2014, an allowance of \$700,000 has been made for any such judgments, deficits, or Symmes taxes.

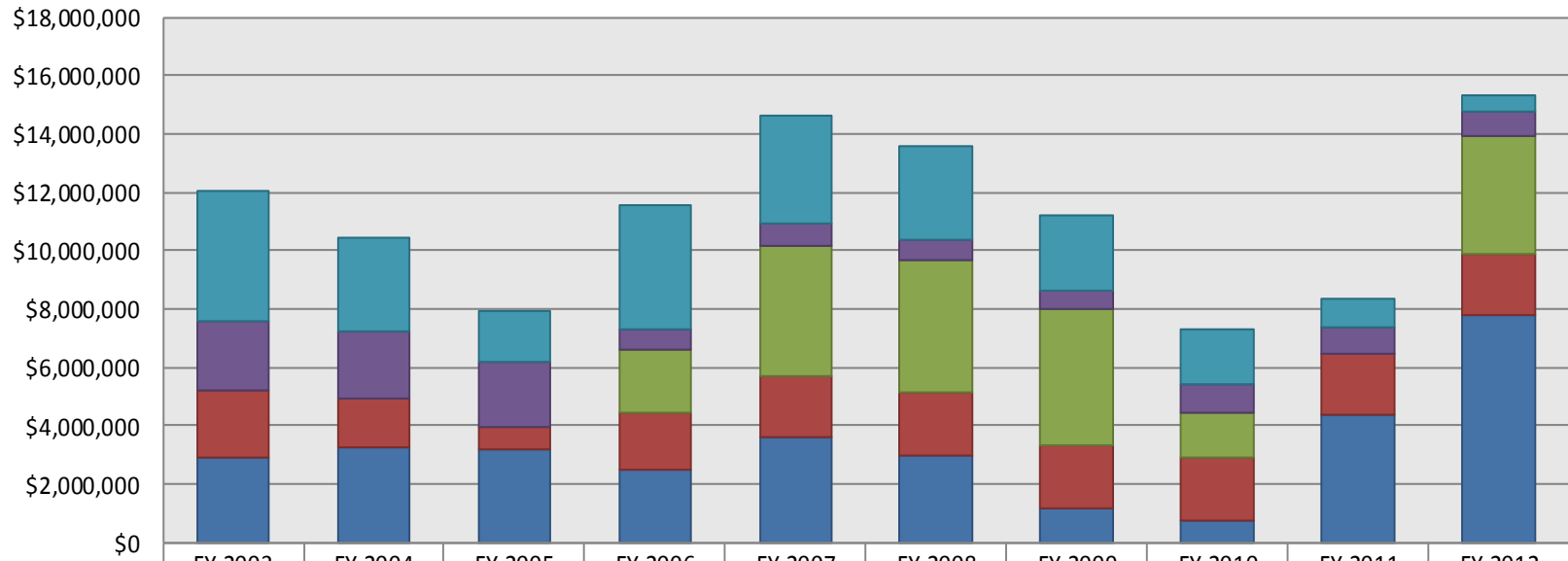


SECTION VIII

RESERVE FUND BALANCES & TOWN FINANCIAL POLICIES



Reserve Fund Balances



	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Total	\$12,033,077	\$10,465,147	\$7,963,923	\$11,535,251	\$14,629,589	\$13,555,157	\$11,182,226	\$7,309,190	\$8,360,070	\$15,307,745
Tip Fee Stabilization	\$4,435,465	\$3,263,420	\$1,807,932	\$4,207,248	\$3,723,911	\$3,187,031	\$2,559,441	\$1,888,492	\$1,012,094	\$563,769
Municipal Trust Fund	\$2,410,771	\$2,263,962	\$2,187,797	\$714,029	\$736,575	\$702,689	\$613,717	\$963,451	\$853,710	\$835,406
Override Stabilization	-	-	-	\$2,180,289	\$4,479,519	\$4,531,174	\$4,687,515	\$1,581,292	-	\$3,993,618
Long Term Stabilization	\$2,294,235	\$1,709,454	\$788,805	\$1,924,215	\$2,052,009	\$2,138,449	\$2,157,451	\$2,105,456	\$2,114,858	\$2,121,897
Free Cash	\$2,892,606	\$3,228,310	\$3,179,389	\$2,509,471	\$3,637,574	\$2,995,814	\$1,164,101	\$770,499	\$4,379,408	\$7,793,055

For more information, please see fund descriptions on page 204.



Tip Fee Stabilization Fund: The Town of Arlington participated in a regional solid waste consortium, the North East Solid Waste Committee. Upon leaving the consortium in September of 2005, the Town was entitled to revenue derived from the regional agreement. Since then, the Town uses funds from the Tip Fee Stabilization Fund to offset solid waste disposal costs. The Town appropriated \$400,000 from the fund in FY2013.

Municipal Buildings Trust Fund: In accordance with Massachusetts General Law, Chapter 40, Section 13, the Town established a Municipal Buildings Trust Fund for the purposes of offsetting the costs associated with significant property loss.

Override Stabilization Fund: The Override Stabilization Fund was created as a result of the 2005 Proposition 2 1/2 override. The Town makes annual appropriations to the fund until the time in which it is necessary to make withdrawals for the purposes of balancing the general fund budget. As the graph illustrates on page 205, the first appropriation to the fund was in FY2006 after the passage of an operating override and was depleted in FY2011. The Town passed another override leading into FY2012 which explains the increase of \$3,993,618. The Town does not expect to recommend an appropriation out of the fund until FY2016.

Long Term Stabilization Fund: In accordance with Massachusetts General Law, Chapter 40, Section 5B, the Town may appropriate in any year an amount not exceeding, in the aggregate, 10% of the amount raised in the preceding fiscal year's tax levy. The Town may appropriate funds from the Long Term Stabilization Fund for any lawful purpose with a two-thirds vote of Town Meeting.

Free Cash: "Free Cash" is a revenue source that results from the calculation, as of July 1, of a community's remaining, unrestricted funds from operations of the previous fiscal year, based on the balance sheet as of June 30. It typically includes actual receipts in excess of revenue estimates and unspent amounts in departmental budget line-items for the year just ending, plus unexpended free cash from the previous year. Consistent with current practice, the Town appropriates up to 50% of its Free Cash balance from the prior year to as an operating revenue.



Town of Arlington Standing Financial Policies & Practices

Free Cash Practice: The Town of Arlington appropriates up to 50% of the prior year's Certified Free Cash Balance as an operating revenue with a majority vote of Town Meeting.

Capital Budget: The Town Manager shall present a Capital Budget equal to 5% of projected revenues. The Town has followed this practice since 1986.

Town of Arlington Override Policies & Commitments

As part of the Town's Proposition 2 ½ Override campaign in 2011, the Town made several financial commitments that would guide the Town's financial planning for future years. Below are those original commitments with updates in bold.

- Override funds will be made to last at least three years (FY2012-FY2014). No general override will be sought during this period. – **Current projections have extended the plan to cover FY2012-FY2018.**
- Town and School operating budget increases will be capped at 3.5% per year. An additional allowance of up to 7% shall be allowed for documented special education cost increases. Should actual special education cost increases exceed this amount, the remaining School budget shall be decreased by the difference. – **This commitment has been maintained and this year's Town operating budget is being held below the 3.5% cap at 3.34%.**
- Health care cost increases will be programmed at 7%. Should actual increases exceed this amount, the Town and School budget totals shall be proportionately decreased by the excess amount. Should actual increases be less than this amount as a result of negotiated health care savings, the extra savings will be:
 - ◊ Deposited into the override stabilization fund to extend the three year override period;
 - ◊ Used to preserve services; and
- The Town of Arlington's Reserve Policy states that the Town must have an amount equal to 5% of revenues that is kept in reserves and available for appropriation in any given year.



- ◇ To satisfy any and all negotiated items between the Town Manager, its employees, and its retirees. – **The override period has been extended to six years from the original three-year period based to a large degree on health care savings. The first year health care savings also supported FY2012 wage settlements with employee bargaining units. Actual health care cost increases will be approximately 3.5% in FY14. The difference between the initial projections and the actual cost will be deposited into the override stabilization fund.**
- An additional \$600,000 shall be appropriated for the School Department in FY2012 and \$400,000 shall be appropriated each year in addition to the amount currently appropriated in the capital budget for road improvements. – **This commitment has been met.**
- Reserves shall be maintained in an amount equivalent to at least 5% of the budget. – **This commitment is being maintained.**



SECTION VIII

GLOSSARY



GLOSSARY OF TERMS

Assessment/Offsets	The amount the State automatically deducts from Local Aid to cover town-shared expenses. The primary items that make up this amount are charter school and MBTA assessments.
Bond Anticipation Note (BAN):	Short term debt instrument used to generate cash for initial project costs and with the expectation that the debt will be replaced later by permanent bonding. Typically issued for a term of less than one year, BANs may be re-issued for up to five years, provided principal repayment begins after two years (MGL Ch. 44 §17). Principal payments on school related BANs may be deferred up to seven years (increased in 2002 from five years) if the community has an approved project on the Massachusetts School Building Authority (MSBA) priority list. BANs are full faith and credit obligations.
Capital (Includes Debt Service):	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.
Cherry Sheet:	The official notification by the Massachusetts Commissioner of Revenue to municipalities and school districts of estimated state aid to be paid and charges to be assessed over the next fiscal year. As the state budget process unfolds updated local aid proposals are posted. Cherry Sheets are issued once the state budget is enacted by the Legislature and approved by the Governor.
Chapter 70 School Aid Cherry Sheet:	Chapter 70 refers to the school funding formula created under the Education Reform Act of 1993 by which State Aid is distributed through the Cherry Sheet to help establish educational equity among municipal and regional school districts.



GLOSSARY OF TERMS (cont.)

- Chapter 90 Highway Funds:** State funds derived from periodic transportation bond authorizations and apportioned to communities for highway projects based on a formula under the provision of MGL Ch. 90 §34. The Chapter 90 formula comprises three variables: local road mileage (58.33%) as certified by the Massachusetts Highway Department (MHD), local employment level (20.83%) derived from the Department of Employment and Training (DET), and population estimates (20.83%) from the US Census Bureau. Local highway projects are approved in advance. Later, on the submission of certified expenditure reports to MHD, communities receive cost reimbursement to the limit of the grant. See DOD/DLS website.
- Collective Bargaining:** The process of negotiating workers' wages, hours, benefits, working conditions, etc., between employer and some of all of its employees, who are represented by a recognized labor union.
- Debt Exclusion:** This amount represents the voter-approved amount that is used to pay for the construction of two new elementary schools. The state reimburses the town 65% of debt payment. The debt exclusion in the budget is the net amount (less state reimbursement) that is levy to the taxpayers on an annual basis.
- Designated Unreserved Fund Balance:** A limitation on the use of all or part of the expendable balance in a governmental fund.
- Enterprise Funds:** An Enterprise fund, authorized by MGL Ch. 44 §53F ½, is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an Enterprise fund, all costs of service delivery—direct, indirect, and capital costs—are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Presently, Arlington has enterprise funds for Council on Aging Transportation, Recreation, Ed Burns Arena, Water & Sewer, and Youth Services

**GLOSSARY OF TERMS (cont.)**

- Equalized Valuations (EQVs):** The determination of an estimate of the full and fair cash (FFCV) of all property in the Commonwealth as of a certain taxable date. EQVs have historically been used as a variable in distributing some State aid accounts and for determining county assessments and other costs. The Commissioner of Revenue, in accordance with MGL Ch. 58 §10C, is charged with the responsibility of biannually determining an equalized valuation for each city and town in the Commonwealth.
- Excess Levy Capacity:** The difference between the levy limit and the amount of real and personal property taxes actually levied in a given year. Annually, the Board of Selectmen must be informed of excess levy capacity and their acknowledgement must be submitted to DOR when setting the tax rate.
- Fiscal Year:** A fiscal year runs July 1 through June 30. For example, fiscal year 2014 runs from July 1, 2013 through June 30, 2014.
- Foundation Budget:** The spending target imposed by the Education Reform Act of 1993 for each school district as the level necessary to provide adequate education for all students.
- Free Cash:** A revenue source that results from the calculation, as of July 1, of a community's remaining, unrestricted funds from operations of the previous fiscal year, based on the balance sheet as of June 30. It typically includes actual receipts in excess of revenue estimates and unspent amounts in departmental budget line-items for the year just ending, plus unexpended free cash from the previous year. After the books are closed for the year, potential available funds' balances are submitted to the State for certification. Certification of Free Cash is generally submitted to the Department of Revenue in the fall with final certification in late fall or early winter. It is strongly recommended that free cash be spent on one-time expenditures since free cash itself is a one-time revenue source.
- GASB 34:** A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering services and value estimates on public infrastructure assets, such as bridges, roads, sewers, etc. It also requires the presentation of a narrative statement analyzing the government's financial performance, trends and prospects for the future.

**GLOSSARY OF TERMS (cont.)**

- GASB 45:** This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other post-employment benefits (See OPEB) in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.
- GIS (Geographical Information System):** A computerized mapping system and analytical tool that allows a community to access information on a parcel, area or community wide basis. It also allows parcels to be identified and sorted on the basis of certain specified criteria. The system can integrate assessors' property data, water and sewer line networks, wetlands, floodplains as well as other data.
- Levy Ceiling:** A levy ceiling is one of two types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 ½). It states that, in any year, the personal property taxes imposed may not exceed 2 ½ percent of the total full and fair cash value of all taxable property. Property taxes levied may exceed this limit only if the community passes a capital exclusion, a debt exclusion, or a special exclusion (See Levy Limit).
- Levy Limit:** A levy limit is one of tow types of levy (tax) restrictions imposed by MGL Ch. 59 §21C (Proposition 2 ½). It states that the real and personal property taxes imposed by a city or town may only grow each year by 2 ½ percent of the prior year's levy limit, plus new growth and any overrides or exclusions. The levy limit can exceed the levy ceiling only if the community passes a capital expenditure exclusion, debt exclusion, or special exclusion (See Levy Ceiling).
- Local Receipts:** This amount represents the amount of local taxes (excluding property taxes) and fees from all departmental operations retained directly by the town. The primary revenue items that comprise of local receipts are motor vehicle excise, interest income, permits, licensees, fines and State reimbursements.
- Tax Levy Limit:** This amount represents the total amount of tax bills the town sends out each year to taxpayers. The levy is monitored by the state and can increase by 2.5% each year.



GLOSSARY OF TERMS (cont.)

Municipal Departments: Board of Selectmen, Town Manager, Human Resources, Comptroller, Treasurer, Postage, Assessors, Information Technology, Legal, Town Clerk, Parking, Planning & Community Development, Public Works, Police, Fire, Support Services, Inspectional Services, Libraries, Health and Human Services, Board of Health, Veterans' Services, Council on Aging, Enterprise Funds (Water/Sewer, Recreation, Ed Burns Arena, Council on Aging Transportation, Youth Services), and other related boards (Board of Registrars, Redevelopment Board, and Zoning Board of Appeals).

MWRA Debt Shift: The Town has accepted provisions of Massachusetts General Law, Chapter 110 whereby water and sewer debt costs are transferred to the tax levy. Per vote of the Board of Selectmen, the MWRA Debt Shift has been fixed at \$5,593,112 since FY2007.

New Growth: New Growth is when a homeowner or investor makes improvements to their existing home, thereby increasing the assessed value and the levy capacity.

Non-Appropriated Expenses: Expenses which are contained on the cherry sheet from the state and charged to the Town, the largest of which is the annual MBTA assessment. Other non-appropriated expenses include: parking fine registry surcharge, air pollution control district, Metropolitan Area Planning Council, and Charter School Tuition. Overlay reserve is also included in non-appropriated expenses.

Non-Departmental (Healthcare & Pensions) The Town's non-departmental liabilities includes health insurance and retirement costs for employees and retirees.

Overlay Provisions: This amount is requested and set aside by the Assessor's to cover any property abatements. Each year any remaining amount(s) may at the discretion of the Assessor's be used as a source of revenue.

Overlay Reserve: Unused accumulated amount of overlay for previous years that is not required to be held in a specific overlay account for a given year. Once released by the Board of Assessors, the funds may be used for any municipal purpose.



GLOSSARY OF TERMS (cont.)

Override Stabilization Fund Deposit:	The Override Stabilization Fund was created as a result of the 2005 Proposition 2 1/2 override. The Town makes annual appropriations to the fund until the time in which it is necessary to make withdrawals for the purposes of balancing the general fund budget. As a result of the 2011 override, the Town is projected to make appropriations to the Fund through FY2015.
Payment in Lieu Of Taxes:	An agreement between a municipality and an entity not subject to taxation, such as charitable or educational organizations, in which the payer agrees to make a voluntary payment to the municipality. By law, a city or town must make such a payment to any other community in which it owns land used for public purposes.
Property Tax:	The property tax levy is the revenue a city or town raises through real and personal property taxes.
Proposition 2 ½ Override Reserve for Abatements:	A State law enacted in 1980, Proposition 2 ½ regulates local property tax administration and limits the amount of revenue a city or town may raise from local property taxes each year to fund municipal operations.
Reserve Fund:	A fund established by the Annual Town Meeting. It is under the control of the Finance Committee, which may authorize transfers for extraordinary or unforeseen expenditures. The fund may be composed of an appropriation of not more than 5% of the tax levy for the preceding year.
School Department:	The Town's largest departmental budget. Funds appropriated to the school department offset the costs of personnel, operating school department facilities, transportation, and other expenses necessary for providing public education in the district.
Stabilization Fund:	A general reserve. Money from this fund may be appropriated by two-thirds of Town Meeting.
Surplus Revenue:	The total amount of cash, accounts receivable, and other current assets that exceed liabilities and reserves.

**GLOSSARY OF TERMS (cont.)****Tax Title:**

As collection procedure that secures a city or a towns lien on real property and protects the municipality's right to payment of overdue property taxes. Otherwise, the lien expires if five years elapse from the January 1 assessment date and the property has been transferred to another owner. If amounts remain outstanding on the property after issuing a demand for overdue property taxes and after publishing a notice of tax taking, the collector may take the property for the city or town. After properly recording the instrument of taking, the collector transfers responsibility for collecting overdue amounts to the Treasurer. After six months, the Treasurer may initiate foreclosure proceedings.

Warrant Articles:

Money must be appropriated in the general fund budget for the purposes of funding spending articles approved by Town Meeting.



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