

CITY OF NEWTON, MASSACHUSETTS

GENERAL FUND MULTI-YEAR BUDGET FORECAST

Fiscal Years 2009 – 2013

With
Fiscal Year 2008 Budget

CITY OF NEWTON, MASSACHUSETTS GENERAL FUND MULTI-YEAR BUDGET FORECAST

Introduction:

The City of Newton, like most local governments, has historically managed its annual operating budget on year by year basis. Both the City Charter and the municipal finance laws of the Commonwealth of Massachusetts require that the Mayor annually submit a recommended operating budget to the Board of Aldermen for the next twelve month fiscal period. Within forty five days of the receipt of the Mayor's recommended annual operating budget, the Board of Aldermen has the authority to accept, reject, or decrease the Mayor's recommended budget, but may not increase it. The adoption of the annual operating budget is accomplished by approval of an annual appropriation order, which specifies departmental expenditure authorizations for the various departments of the City. Newton public school appropriations are adopted at a single bottom line level for the entire school system. Municipal budget appropriations are voted by department, with a total for each of the following appropriation units: a) salaries and wages; b) expenses; c) debt service and capital outlay; d) fringe benefits; e) intergovernmental charges. Transfers between appropriation units, following adoption of the budget, require approval of the Mayor and Board of Aldermen.

During early 2006, the Mayor and Board of Aldermen recognized the need to strengthen operating budget planning by transitioning from what has historically been an annual budget process to a process that looks several years into the future. The first step in this transition was agreement on the need for development of a multi year operating budget forecast. During the spring of 2006, representatives of the Mayor's Office, the Board of Aldermen; the School Committee; and the Comptroller's Office developed a preliminary multi year budget forecast. This forecast follows the work that was done in early FY07 to prepare the first of these multiyear forecasts. It has been updated to reflect an additional year of experience and includes some of the suggestions made by the blue ribbon commission following their review of the forecast that was presented in September 2006. This budget is intended to serve as the starting point for the fiscal year 2009 budget planning process.

Forecast Assumptions:

Revenue

This report presents 14 major revenue categories, with detailed sub-category information for some revenue sources. The forecasted revenue is based on separate formulas for each category or sub-category, the details of which are presented below. In general, revenue forecasts formulas fall into the following categories: Statutory formulas (e.g., Proposition 2 ½); an Average Annual Percentage Increase that is derived by calculating the average percentage change in a revenue category from FY03 to FY07 and applying that percentage to future years; Level revenue estimates for those categories that are unlikely to change over time; an Average of actual

revenue for the fiscal year FY03 through FY07 for those categories that show annual increases or decreases without a clear pattern, and Estimates based on the best judgment of the Executive, in consultation with the Comptroller and the Assistant School Superintendent for Business and Finance.

Property Taxes: The property tax levy (the total property taxes that a municipality can assess against property in that community in a year) can increase by 2.5% per year, plus the amount of new growth (new residential and commercial construction). It is assumed that new growth will be \$2 million per year.

Motor Vehicle Excise Tax: It is assumed that this revenue source will increase annually by the average annual percentage increase for the past five years. This equals an annual increase of 0.23%.

Interest and Penalties on Taxes: It is assumed that this revenue source will increase annually by the average annual percentage increase for the past five years. This equals an annual increase of 0.36%.

Payments in Lieu of Taxes: It is assumed that this revenue source stay level over the next five years.

Hotel/Motel Tax: It is assumed that this revenue source will increase annually by 1%.

Charges for Services: For School tuitions, it is assumed there will be an annual percentage change of 4%. All other sub-categories are assumed to be level. Actual five year averages for most of these sub-categories show a slight decline.

Fines and Forfeitures: It is assumed that these revenue sources will remain constant at the average of the previous five years, because any changes in the revenue from this category would require a change in either local ordinance or state law.

Licenses and Permits: It is assumed that these revenue sources will remain level with the FY08 estimate.

Investment Income: It is assumed that investment income will remain level with FY08 estimate. This estimate could change, if interest rates change.

Special Assessments: It is assumed that special assessments will remain constant at approximately the average of the past five years as adjusted for unusual peaks and valleys

Miscellaneous Local Revenue: It is assumed that special assessments will remain constant at approximately the average of the past five years as adjusted for unusual peaks and valleys

State Cherry Sheet Aid: The forecast assumes \$1 million annual increase in State Aid.

Other State and Federal Aid: Medicaid reimbursement is held constant at an average of the past several years. Medicare reimbursement is a revised estimate based on not quite two years of actual experience. Other state and federal aid will remain constant at approximately FY08 levels, except state reimbursement for non-contributory COLA reimbursements, which will decrease by 5% per year.

Transfers from Other Funds: It is assumed that these transfers will remain constant at FY07 levels, except that the transfers from the Water and Sewer Funds will increase by 2.5% each year.

Expenditures

Operating Budget

Salaries and wages: This forecast includes increases for future collective bargaining increases. For currently unsettled contracts an assumption of the pattern for settled contracts is made. In future years and assumption of 2.5% is included.

Benefits: It is assumed that the largest benefit category, health insurance, will increase by 11% per year, which is consistent with the pattern of health insurance cost increases over the past 10 years. It is assumed that increases in the costs of worker's compensations insurance, Medicare payroll tax deductions, school disability insurance and Medicare part B reimbursement to retirees will increase by the average annual increase of the past five years. It is assumed that all other benefits will costs will remain constant.

Pension contribution: The pension contribution forecast includes a combination of the City's annual actuarially required contribution to defined benefit pension plan and the annual pay as you go funding of retirement benefits for non contributory retirees (veterans of WW II with pre 1932 service to the City). The 2009 forecast represents the actual actuarially required contribution to the City's pension plan. For years 2010 -20013 the current actuarial estimate for these future years is included. These amounts will be revised annually by the actuary. Non contributory pay as you go benefits are projected to decline by approximately \$30,000 per year.

Refuse Collection and Disposal: It is assumed that the increase in the cost of disposal of refuse will increase by 3.5% per year.

Out for District Tuitions: These costs are assumed to increase by 8% per year.

School Transportation: These costs are assumed to increase by 10% per year for special education transportation, 6% for Athletics transportation and 1.1% for all other transportation costs..

Energy and Utilities: These costs are assumed to increase at 5% per year.

Services and Supplies: The cost of various services and supplies is forecast to increase by 2% per year except textbooks and instructional supplies which are assumed to increase by 3% per year.

Capital Outlay: It is assumed that the appropriations for Capital Outlay will increase by 4% per year.

Other Expenses: It is assumed that Budget Reserve will increase by \$100,000 per year, consistent with prior budget practice. Property insurance will increase by 5% per year and all other sub-categories will remain constant.

State Assessments: Under the provisions of Proposition 2 ½, total annual state assessments to cities and towns cannot increase more than 2.5%.

Capital and Reserve Creation

Debt Service: Debt Service payments are based on the Mayor's long-term capital financing plan. This includes funding the full cost of Newton North High School, renovations of all city fire stations, New Turf and \$3.5 million per year of other capital projects. Transfer to Capital Fund: This transfer consists of state School Building Assistance Program payments from previously completed projects.

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
SUMMARY FY08-FY013

	FY 2008 Budget *	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast
Sources:						
Property taxes	213,571,296 \$	219,998,092 \$	227,470,044 \$	235,128,795 \$	242,979,015 \$	251,025,491
Motor excise taxes	11,183,981	10,800,000	10,825,218	10,850,496	10,875,832	10,901,228
Other taxes, interest & penalties	1,968,396	2,089,117	2,104,290	2,119,593	2,135,029	2,150,598
In lieu of tax payments	385,010	385,010	385,010	385,010	385,010	385,010
Charges for service	1,551,434	1,355,000	1,360,816	1,366,882	1,373,210	1,379,810
Licenses & permits	4,473,677	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Fines & forfeitures	1,915,512	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Investment income	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Other miscellaneous revenue	179,941	90,000	110,000	110,000	110,000	110,000
Free Cash	3,400,000	3,700,000	3,200,000	2,700,000	2,200,000	1,700,000
Intergovernmental revenue	26,958,523	27,875,034	28,036,613	25,186,399	26,204,245	27,222,999
Reimbursements from other funds	3,002,550	3,040,499	3,073,072	3,106,459	3,140,681	3,175,759
Total Sources:	<u>272,590,320</u>	<u>279,632,752</u>	<u>286,865,062</u>	<u>291,253,634</u>	<u>299,703,022</u>	<u>308,350,894</u>
Uses:						
Operating Budget						
Salaries & wages	160,218,729	168,040,999	174,936,095	181,873,450	189,230,404	196,103,687
Benefits	41,339,052	45,719,121	50,587,598	55,978,010	62,009,302	68,699,227
Pension contribution	11,720,098	12,739,890	13,174,625	13,624,668	14,090,516	14,572,674
Energy/utilities	8,823,465	9,264,638	9,727,870	10,214,264	10,724,977	11,261,226
Refuse collection/disposal	6,021,853	6,232,618	6,450,759	6,676,536	6,910,215	7,152,072
Out of district education tuitions	5,425,938	6,153,112	6,645,361	7,176,990	7,751,149	8,371,241
School transportation	4,093,587	4,360,123	4,648,217	4,963,506	5,308,676	5,686,703
Services	8,685,055	9,663,516	9,839,477	10,018,958	10,202,028	10,388,760
Supplies and materials	5,146,034	5,391,064	5,549,886	5,713,472	5,881,967	6,055,516
Capital outlay	1,252,509	1,302,609	1,354,714	1,408,902	1,465,258	1,523,869
Other - unclassified	1,889,790	1,984,408	2,098,531	2,213,359	2,328,929	2,445,278
State assessments and charges	5,669,618	5,811,358	5,956,642	6,105,558	6,258,197	6,414,652
Free cash creation and & continued appropriations						
Operating budget subtotal	<u>260,285,728</u>	<u>276,663,456</u>	<u>290,969,775</u>	<u>305,967,674</u>	<u>322,161,619</u>	<u>338,674,905</u>
Capital and Capital Reserve Creation						
Debt service	7,776,569	8,300,321	8,950,542	9,600,230	10,300,504	11,000,140
Fund for future capital needs	4,528,023	4,721,647	3,867,163	-	-	-
Supplemental capital maintenance	-					
Capital Maintenance Subtotal	<u>12,304,592</u>	<u>13,021,968</u>	<u>12,817,705</u>	<u>9,600,230</u>	<u>10,300,504</u>	<u>11,000,140</u>
Total Uses:	<u>272,590,320 \$</u>	<u>289,685,424 \$</u>	<u>303,787,481</u>	<u>315,567,904</u>	<u>332,462,123</u>	<u>349,675,045</u>
Excess/(deficiency) Sources over Uses	<u>- \$</u>	<u>(10,052,673) \$</u>	<u>(16,922,418) \$</u>	<u>(24,314,270) \$</u>	<u>(32,759,101) \$</u>	<u>(41,324,151)</u>

* FY08 Budget is current year appropriations only

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
SUMMARY FY08-FY013

Sources:

Property taxes	\$2 million new growth & overlay at 1.4% of levy
Motor excise taxes	Average Annual % Increase
Other taxes, interest & penalties	Average Annual % Increase
In lieu of tax payments	Level funded
Charges for service	Primarily Level Funded
Licenses & permits	Level funded
Fines & forfeitures	Level funded
Investment income	Level funded
Other miscellaneous revenue	Level funded
Free Cash	\$500,000 per year annual reduction to \$0; includes \$800,000 each year for snow be
Intergovernmental revenue	\$1 million in new state aid per year
Reimbursements from other funds	Primarily Level Funded

Total Sources:

Uses:

Operating Budget

Salaries & wages	2.5%
Benefits	Health @ 11% per year
Pension contribution	Actuarial funding schedule
Energy/utilities	5% annual increase
Refuse collection/disposal	3.5% annual increase
Out of district education tuitions	8% annual increase
School transportation	10% annual increase
Services	2% annual increase
Supplies and materials	2% annual increase
Capital outlay	4% annual increase
Other - unclassified	Contingency increase \$100,000 annually - all other level funded
State assessments and charges	2.5% annual increase
Free cash creation and & continued appropriations	
Operating budget subtotal	

Capital and Capital Reserve Creation

Debt service	Capital plan
Fund for future capital needs	Capital plan
Supplemental capital maintenance	
Capital Maintenance Subtotal	

Total Uses:

Excess/(deficiency) Sources over Uses

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND MULTI-YEAR BUDGET FORECAST
REVENUE FY08-FY13

	FY 2008 Budget	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	
Property taxes:							
Prior year levy limit	208,515,690	\$ 215,728,582	\$ 223,121,797	\$ 230,699,842	\$ 238,467,338	246,429,021	
2 1/2% increase	5,212,892	5,393,215	5,578,045	5,767,496	5,961,683	6,160,726	
Override/debt exclusion	-	-	-	-	-	-	
New growth	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	
Unused levy capacity							
Provision for abatements & exemptions	(2,157,286)	(3,123,705)	(3,229,798)	(3,338,543)	(3,450,006)	(3,564,256)	1.4% of levy
Total property taxes	213,571,296	219,998,092	227,470,044	235,128,795	242,979,015	251,025,491	
Motor excise taxes	11,183,981	10,800,000	10,825,218	10,850,496	10,875,832	10,901,228	Annual %
Interest & penalties on taxes	857,072	900,000	903,282	906,575	909,881	913,199	Annual %
In lieu of tax payments:							
121A Urban excise taxes	127,210	127,210	127,210	127,210	127,210	127,210	Level
121A property in lieu of taxes	125,000	125,000	125,000	125,000	125,000	125,000	Level
Boston College in lieu of tax payment	100,000	100,000	100,000	100,000	100,000	100,000	Level
Stone Institute in lieu of tax payment	32,800	32,800	32,800	32,800	32,800	32,800	Level
Pro-forma tax payments	-	-	-	-	-	-	Level
Total In lieu of tax payments	385,010	385,010	385,010	385,010	385,010	385,010	Level
Hotel/motel room & occupancy taxes	1,111,324	1,189,117	1,201,008	1,213,018	1,225,148	1,237,400	1% Increase
Charges for service:							
School tuitions	135,086	135,000	140,816	146,882	153,210	159,810	Annual %
Recreation facility use	142,360	145,000	145,000	145,000	145,000	145,000	Level
All other fees and charges	790,794	650,000	650,000	650,000	650,000	650,000	Level
Rental income	483,194	425,000	425,000	425,000	425,000	425,000	Level
Total Charges for service	1,551,434	1,355,000	1,360,816	1,366,882	1,373,210	1,379,810	
Fines & forfeitures:							
Court fines	145,000	175,000	175,000	175,000	175,000	175,000	Level
Administrative fines/restitution	-	-	-	-	-	-	
Library fines	200,000	175,000	175,000	175,000	175,000	175,000	Level
Parking violations	1,570,512	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000	Level
Total Fines & forfeitures:	1,915,512	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	
Licenses & permits							
Inspectional services department	3,900,000	3,900,000	3,900,000	3,900,000	3,900,000	3,900,000	Level
All other	573,677	600,000	600,000	600,000	600,000	600,000	Level
Total Licenses & permits	4,473,677	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	
Investment income	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	Level

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND MULTI-YEAR BUDGET FORECAST
REVENUE FY08-FY13

	FY 2008 Budget	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	
Special assessments	51,178	60,000	60,000	60,000	60,000	60,000	Level
Miscellaneous Local revenue:							
Premiums on sale of bonds & notes	-	-	-	-	-	-	
Starck structured settlement	-	-	-	-	-	-	
All other	128,763	30,000	50,000	50,000	50,000	50,000	Level
Total Miscellaneous local revenue	128,763	30,000	50,000	50,000	50,000	50,000	
State cherry sheet aid							
Chapter 70 school aid	12,754,101	13,754,101	14,754,101	15,754,101	16,754,101	17,754,101	\$1 million per year growth
Charter school assistance/school choice	227,954	176,852	176,852	176,852	176,852	176,852	Level
School building assistance	4,744,592	4,721,647	3,867,163				
School transportation aid	-	-	-	-	-	-	
Tuition for state wards	-	-	-	-	-	-	
Lottery aid	5,937,030	5,937,030	5,937,030	5,937,030	5,937,030	5,937,030	Level
Additional assistance aid	1,377,012	1,377,012	1,377,012	1,377,012	1,377,012	1,377,012	Level
Municipal relief aid	-	-	-	-	-	-	
Highway aid	-	-	-	-	-	-	
Regional library aid	39,953	39,953	39,953	39,953	39,953	39,953	Level
Police career incentive pay	590,909	639,125	659,688	680,912	702,819	725,431	Average %
Veteran benefits	24,270	24,270	24,270	24,270	24,270	24,270	Level
Property tax exemptions	189,112	265,044	265,044	265,044	265,044	265,044	Level
Total State cherry sheet aid	25,884,933	26,935,034	27,101,113	24,255,174	25,277,081	26,299,693	
Other State & federal aid:							
SPED Medicaid reimbursements	175,000	325,000	325,000	325,000	325,000	325,000	Level
Medicare Part D reimbursements	780,000	500,000	500,000	500,000	500,000	500,000	Level
CDBG reimbursements	28,590	25,000	25,000	25,000	25,000	25,000	Level
Other state & federal	-	-	-	-	-	-	
Non contributory COLA reimbursements	90,000	90,000	85,500	81,225	77,164	73,306	95%
Total Other State & federal aid:	1,073,590	940,000	935,500	931,225	927,164	923,306	
Total revenue:	266,187,770	272,892,252	280,591,990	285,447,175	294,362,341	303,475,135	
Transfers from other funds:							
Building insurance fund	277,582	277,582	277,582	277,582	277,582	277,582	Level
Liability insurance fund	-	-	-	-	-	-	
Capital stabilization fund	-	-	-	-	-	-	
Sale of recyclables receipts reserved fund	300,000	300,000	300,000	300,000	300,000	300,000	Level
Sewer fund	758,981	781,750	801,294	821,327	841,860	862,906	2.5% Increase
Water fund	505,987	521,167	534,196	547,551	561,239	575,270	2.5% Increase
Parking meter receipts reserved fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	Level
Community preservation fund	60,000	60,000	60,000	60,000	60,000	60,000	Level
Other funds	-	-	-	-	-	-	

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST
REVENUE FY08-FY13

	FY 2008 Budget	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	
CATV franchise receipts reserved fund	100,000	100,000	100,000	100,000	100,000	100,000	Level
Total Transfers from other funds	<u>3,002,550</u>	<u>3,040,499</u>	<u>3,073,072</u>	<u>3,106,459</u>	<u>3,140,681</u>	<u>3,175,759</u>	
Free cash	<u>3,400,000</u>	<u>3,700,000</u>	<u>3,200,000</u>	<u>2,700,000</u>	<u>2,200,000</u>	<u>1,700,000</u>	
Total Revenues & other financing sources:	<u>272,590,320</u>	<u>\$ 279,632,752</u>	<u>\$ 286,865,062</u>	<u>\$ 291,253,634</u>	<u>\$ 299,703,022</u>	<u>\$ 308,350,894</u>	

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
SALARY AND WAGE DETAIL FY08-FY13

	FY 2008 Budget	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY2013 Forecast	
Salaries & wages							
School salaries	\$ 107,582,306	\$ 110,998,216	\$ 116,429,336	\$ 121,993,414	\$ 127,566,479	133,525,032	Assumes 2.5% FY10-FY13
School athletic revolving subsidy-salaries	946,502	571,046	571,046	571,046	571,046	571,046	
School steps - future years	-	1,504,024	1,631,537	1,688,157	1,753,260	1,806,950	
Municipal salaries	51,689,921	54,040,619	55,371,634	56,735,925	58,134,323	59,567,681	Assumes 2.5% FY10-FY13
School enrollment change	-	927,094	932,542	884,908	1,205,296	632,978	
	-	-	-	-	-	-	
Total Salaries & wages:	<u>\$ 160,218,729</u>	<u>\$ 168,040,999</u>	<u>\$ 174,936,095</u>	<u>\$ 181,873,450</u>	<u>\$ 189,230,404</u>	<u>196,103,687</u>	

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
BENEFITS FY08-FY13

	FY 2008 <u>Budget</u>	FY 2009 <u>Forecast</u>	FY 2010 <u>Forecast</u>	FY 2011 <u>Forecast</u>	FY 2012 <u>Forecast</u>	FY2013 <u>Forecast</u>	
Benefits							
Unemployment compensation	270,784	270,784	270,784	270,784	270,784	270,784	Level
Workers compensation	1,300,000	1,346,479	1,394,620	1,444,481	1,496,126	1,549,617	Annual %
Other benefits	-	-	-	-	-	-	Zero
Dental insurance	575,264	575,264	584,550	593,848	602,636	614,480	Level
Disability insurance	10,779	11,965	14,208	16,700	19,415	22,734	School assumption
Health insurance	34,771,743	38,596,635	42,973,894	47,845,511	53,245,076	59,286,092	11%
School enrollment change	-	147,897	159,520	150,765	203,206	203,206	
Basic life insurance	124,657	124,657	126,514	128,374	130,132	132,501	Level
Medicare payroll tax	1,853,012	1,987,553	2,150,454	2,325,207	2,511,626	2,717,701	Annual %
Medicare part B reimbursement	1,683,408	1,908,483	2,163,650	2,452,935	2,780,896	3,152,708	Annual %
Union supplemental retirement program	36,583	36,583	36,583	36,583	36,583	36,583	Level
Transfer - school lunch fund	712,822	712,822	712,822	712,822	712,822	712,822	Level
Total Benefits:	<u>41,339,052</u>	<u>45,719,121</u>	<u>50,587,598</u>	<u>55,978,010</u>	<u>62,009,302</u>	<u>68,699,227</u>	

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
PENSION CONTRIBUTION FY08-FY13

	FY 2008 Budget	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast
Pension contribution						
Newton contributory retirement system	11,142,405 \$	12,175,766 \$	12,624,477 \$	13,088,917 \$	13,569,591 \$	14,067,022
Non contributory pension benefits	577,693	564,124	550,148	535,752	520,924	505,652
Total Pension contribution:	<u>11,720,098 \$</u>	<u>12,739,890 \$</u>	<u>13,174,625 \$</u>	<u>13,624,668 \$</u>	<u>14,090,516 \$</u>	<u>14,572,674</u>

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
REFUSE COLLECTION AND DISPOSAL FY08-FY13

	FY 2008 Budget	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	
Refuse collection & disposal							
School collection & disposal	5,000	\$ 5,175	\$ 5,356	\$ 5,544	\$ 5,738	\$ 5,938	3.50%
Refuse collection & disposal	4,079,780	4,222,572	4,370,362	4,523,325	4,681,641	4,845,499	
Collection of recyclables	1,849,073	1,913,791	1,980,773	2,050,100	2,121,854	2,196,119	
Processing of recyclables	88,000	91,080	94,268	97,567	100,982	104,516	
Total Refuse collection & disposal:	<u>6,021,853</u>	<u>\$ 6,232,618</u>	<u>\$ 6,450,759</u>	<u>\$ 6,676,536</u>	<u>\$ 6,910,215</u>	<u>\$ 7,152,072</u>	

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
SCHOOL OUT-OF DISTRICT TUITION DETAIL FY08-FY13

	FY 2008 <u>Budget</u>	FY 2009 <u>Forecast</u>	FY 2010 <u>Forecast</u>	FY 2011 <u>Forecast</u>	FY 2012 <u>Forecast</u>	FY 2013 <u>Forecast</u>
Out of district tuitions						
Out of district tuitions	5,425,938	\$ 6,153,112	\$ 6,645,361	\$ 7,176,990	\$ 7,751,149	\$ 8,371,241
In district tuitions		-	-	-	-	-
Total Out of district tuitions:	<u>5,425,938</u>	<u>\$ 6,153,112</u>	<u>\$ 6,645,361</u>	<u>\$ 7,176,990</u>	<u>\$ 7,751,149</u>	<u>\$ 8,371,241</u>

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
SCHOOL TRANSPORTATION DETAIL FY08-FY13

	<u>FY 2008</u> <u>Budget</u>		<u>FY 2009</u> <u>Forecast</u>		<u>FY 2010</u> <u>Forecast</u>		<u>FY 2011</u> <u>Forecast</u>		<u>FY 2012</u> <u>Forecast</u>		<u>FY 2013</u> <u>Forecast</u>	
School transportation services												
Pupil transportation	1,190,330	\$	1,206,618	\$	1,219,880	\$	1,233,300	\$	1,246,865	\$	1,260,581	1.1%
Field trip transportation	62,593		63,282		63,978		64,681		65,393		66,112	1.1%
Private school transportation	387,720		391,985		396,297		400,656		405,063		409,519	1.1%
Athletics transportation	-		-		-		-		-		-	6%
SPED transportation	2,452,944		2,698,238		2,968,062		3,264,868		3,591,355		3,950,491	10%
Total School transportation services	<u>4,093,587</u>	\$	<u>4,360,123</u>	\$	<u>4,648,217</u>	\$	<u>4,963,506</u>	\$	<u>5,308,676</u>	\$	<u>5,686,703</u>	

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
ENERGY/UTILITIES DETAIL FY08-FY13

	FY 2008 <u>Budget</u>	FY 2009 <u>Forecast</u>	FY 2010 <u>Forecast</u>	FY 2011 <u>Forecast</u>	FY 2012 <u>Forecast</u>	FY 2013 <u>Forecast</u>	
Energy/utilities							
Electricity	4,864,510	\$ 5,107,736	\$ 5,363,122	\$ 5,631,278	\$ 5,912,842	\$ 6,208,484	5%
Natural gas	1,447,040	1,519,392	1,595,362	1,675,130	1,758,886	1,846,830	
Water & sewer services	469,584	493,063	517,716	543,602	570,782	599,321	
School enrollment change	-	-	-	-	-	-	
Heating oil	1,464,050	1,537,253	1,614,115	1,694,821	1,779,562	1,868,540	
Gasoline	407,185	427,544	448,921	471,368	494,936	519,683	
Diesel Fuel	171,096	179,651	188,633	198,065	207,968	218,367	
Total Energy/utilities:	<u>8,823,465</u>	<u>\$ 9,264,638</u>	<u>\$ 9,727,870</u>	<u>\$ 10,214,264</u>	<u>\$ 10,724,977</u>	<u>\$ 11,261,226</u>	

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
SERVICES DETAIL FY08-FY13

	FY 2008 <u>Budget</u>	FY 2009 <u>Forecast</u>	FY 2010 <u>Forecast</u>	FY 2011 <u>Forecast</u>	FY 2012 <u>Forecast</u>	FY 2013 <u>Forecast</u>	
Services							
Consultants/professional services	1,373,928	\$ 1,401,407	\$ 1,429,435	\$ 1,458,023	\$ 1,487,184	1,516,928	2%
Audit	59,500	65,450	65,450	65,450	65,450	65,450	Level
Public building repair & maintenance	1,326,967	1,353,506	1,380,576	1,408,188	1,436,352	1,465,079	2%
Office equipment repair & maintenance	625,853	638,370	651,137	664,160	677,443	690,992	2%
Computer maintenance	526,613	537,145	547,888	558,846	570,023	581,423	2%
Public property repair & maintenance	477,202	486,746	496,481	506,411	516,539	526,870	2%
Electrical equipment repair & maintenance	289,977	295,777	301,692	307,726	313,880	320,158	2%
Motor vehicle repair & maintenance	242,691	247,545	252,496	257,546	262,697	267,950	2%
Telephone service	528,109	538,671	549,445	560,433	571,642	583,075	2%
Rental of vehicles/equipment	477,289	1,286,835	1,296,571	1,306,503	1,316,633	1,326,966	2%
Legal services	331,500	338,130	344,893	351,790	358,826	366,003	2%
Postage & mailing services	319,730	326,125	332,647	339,300	346,086	353,008	2%
Printing services	249,708	254,702	259,796	264,992	270,292	275,698	2%
Training & tuition assistance	229,376	233,964	238,643	243,416	248,284	253,250	2%
Grounds	204,950	209,049	213,230	217,495	221,844	226,281	2%
Advertising/publications	111,960	114,199	116,483	118,813	121,189	123,613	2%
Cleaning & custodial services	107,081	109,223	111,407	113,635	115,908	118,226	2%
All other services	1,202,621	1,226,673	1,251,207	1,276,231	1,301,756	1,327,791	2%
	-	-	-	-	-	-	
Services:	<u>8,685,055</u>	<u>\$ 9,663,516</u>	<u>\$ 9,839,477</u>	<u>\$ 10,018,958</u>	<u>\$ 10,202,028</u>	<u>10,388,760</u>	

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
SUPPLIES DETAIL FY08-FY13

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	
	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	
Supplies & materials							
Textbooks	336,148 \$	346,232 \$	356,619 \$	367,318 \$	378,338	389,688	3%
School enrollment change		97,000	97,000	97,000	97,000	97,000	
Instructional supplies	968,736	997,798	1,027,732	1,058,564	1,090,321	1,123,031	3%
Books,manuals,periodicals	635,102	647,804	667,238	687,255	707,873	729,109	2%
Uniforms & protective clothing	176,141	181,425	186,868	192,474	198,248	204,196	2%
Public safety supplies	109,134	112,408	115,780	119,254	122,831	126,516	2%
Sand & salt	322,595	332,273	342,241	352,508	363,084	373,976	2%
Paving materials	317,704	327,235	337,052	347,164	357,579	368,306	2%
Construction supplies	199,050	205,022	211,172	217,507	224,033	230,754	2%
Vehicle repair parts	514,225	529,652	545,541	561,908	578,765	596,128	2%
Cleaning & custodial supplies	270,782	278,905	287,273	295,891	304,768	313,911	2%
Building maintenance supplies	416,331	428,821	441,686	454,936	468,584	482,642	2%
Office supplies	230,662	237,582	244,709	252,051	259,612	267,400	2%
All other supplies & materials	649,424	668,907	688,974	709,643	730,932	752,860	2%
	-	-	-	-	-	-	
Total Supplies/materials:	<u>5,146,034 \$</u>	<u>5,391,064 \$</u>	<u>5,549,886 \$</u>	<u>5,713,472 \$</u>	<u>5,881,967</u>	<u>6,055,516</u>	

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
CAPITAL OUTLAY DETAIL FY08-FY13

	FY 2008 <u>Budget</u>	FY 2009 <u>Forecast</u>	FY 2010 <u>Forecast</u>	FY 2011 <u>Forecast</u>	FY 2012 <u>Forecast</u>	FY 2013 <u>Forecast</u>
Capital outlay						
School capital outlay	659,602 \$	685,986 \$	713,426 \$	741,963 \$	771,641 \$	802,507
School enrollment change	-	-	-	-	-	-
Police cruisers	220,507	229,327	238,500	248,040	257,962	268,280
DPW equipment	174,000	180,960	188,198	195,726	203,555	211,698
Capital stailization fund- close outs						
Capital Stailization fund- future city project						
All other capital outlay	198,400	206,336	214,589	223,173	232,100	241,384
School transfer to NSHS project	-	-	-	-	-	-
	-	-	-	-	-	-
Total capital outlay	<u>1,252,509 \$</u>	<u>1,302,609 \$</u>	<u>1,354,714 \$</u>	<u>1,408,902 \$</u>	<u>1,465,258 \$</u>	<u>1,523,869</u>

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
STATE ASSESSMENTS FY08-FY13

	FY 2008 <u>Budget</u>	FY 2009 <u>Forecast</u>	FY 2010 <u>Forecast</u>	FY 2011 <u>Forecast</u>	FY 2012 <u>Forecast</u>	FY 2013 <u>Forecast</u>	
State assessments							
Retired employee health benefits	-	-	-	-	-	-	
Air pollution control district	31,231	32,012	32,812	33,632	34,473	35,335	2.5%
Metropolitan area planning council	24,079	24,681	25,298	25,930	26,579	27,243	2.5%
RMV non renewal surcharges	184,160	188,764	193,483	198,320	203,278	208,360	2.5%
MBTA	5,022,762	5,148,331	5,277,039	5,408,965	5,544,189	5,682,794	2.5%
Boston Metro District debt service	2,614	2,679	2,746	2,815	2,885	2,958	2.5%
Energy conservation projects	-	-	-	-	-	-	
Special education charges	27,758	28,452	29,163	29,892	30,640	31,406	2.5%
Charter school charges	377,014	386,439	396,100	406,003	416,153	426,557	2.5%
School choice charges	-	-	-	-	-	-	
Total state assessments	<u>5,669,618</u>	<u>\$ 5,811,358</u>	<u>\$ 5,956,642</u>	<u>\$ 6,105,558</u>	<u>\$ 6,258,197</u>	<u>\$ 6,414,652</u>	

CITY OF NEWTON, MASSACHUSETTS
 GENERAL FUND MULTIYEAR BUDGET FORECAST FY09-FY13
DEBT SERVICE DETAIL FY08-FY13

	FY 2008 Budget	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast
Debt service						
Debt service	7,776,569	8,300,321	8,950,542	9,600,230	10,300,504	11,000,140
Starck firefighter disability pension loan	-	-	-	-	-	-
School lease purchase payments						
Total Debt service:	<u>7,776,569</u> \$	<u>8,300,321</u> \$	<u>8,950,542</u> \$	<u>9,600,230</u> \$	<u>10,300,504</u> \$	<u>11,000,140</u>

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND BUDGET FORECAST FY09-FY13
CAPITAL TRANSFER DETAIL FY08-FY13

	FY 2008 Forecast	FY 2009 Forecast	FY 2010 Forecast	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast
Capital Transfer						
School building assistance reimbursement	3,985,144	\$ 4,721,647	\$ 3,867,163	\$ -	\$ -	\$ -
Property tax growth	542,879	-	-	-	-	-
Other transfers						
Total Capital Transfer:	<u>4,528,023</u>	<u>\$ 4,721,647</u>	<u>\$ 3,867,163</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Long Term Capital Fund						
Beginning Balance		18,873,148	21,606,472	20,421,300	14,893,480	10,628,039
Additions						
SBA Reimbursements		\$4,721,647	\$3,867,163	0	0	0
Transferred for Debt Payments		\$1,988,323	\$5,052,335	\$5,527,820	\$4,265,441	\$3,294,880
Ending Balance		21,606,472	20,421,300	14,893,480	10,628,039	7,333,159

CITY OF NEWTON, MASSACHUSETTS
GENERAL FUND MULTI-YEAR BUDGET FORECAST FY09-FY13
OTHER UNCLASSIFIED DETAIL FY08-FY13

	FY 2008 <u>Budget</u>	FY 2009 <u>Forecast</u>	FY 2010 <u>Forecast</u>	FY 2011 <u>Forecast</u>	FY 2012 <u>Forecast</u>	FY 2013 <u>Forecast</u>	
Other							
Budget reserve	610,000	\$ 710,000	\$ 810,000	910,000	1,010,000	1,110,000	\$100,000 increase
Budget reserve use (non operating)	-	-	-	-	-	-	
Retirement expense fund	83,832	65,000	65,000	65,000	65,000	65,000	Level
Property insurance	269,000	282,450	296,573	311,401	326,971	343,320	5%
Liability fund transfer							
Dues & subscriptions	343,320	343,320	343,320	343,320	343,320	343,320	Level
Vehicle use reimbursement	115,609	115,609	115,609	115,609	115,609	115,609	Level
In state conferences	118,548	118,548	118,548	118,548	118,548	118,548	Level
Out-of-state travel	57,919	57,919	57,919	57,919	57,919	57,919	Level
Legal claims & settlements	70,000	70,000	70,000	70,000	70,000	70,000	Level
Interest on ATB orders	50,000	50,000	50,000	50,000	50,000	50,000	Level
Grants	68,443	68,443	68,443	68,443	68,443	68,443	Level
Veteran benefits	30,000	30,000	30,000	30,000	30,000	30,000	Level
Refreshments & meals	23,242	23,242	23,242	23,242	23,242	23,242	Level
Parades & events	11,950	11,950	11,950	11,950	11,950	11,950	Level
All other	37,927	37,927	37,927	37,927	37,927	37,927	Level
Total other:	<u>1,889,790</u>	<u>\$ 1,984,408</u>	<u>\$ 2,098,531</u>	<u>\$ 2,213,359</u>	<u>\$ 2,328,929</u>	<u>\$ 2,445,278</u>	

DEBT SERVICE DETAIL
FY08-FY13

		2008	2009	2010	2011	2012	2013
Annual Expenditures							
North High School	1	\$ 61,945,737	\$ 68,180,904	\$ 15,000,000	\$ 2,328,863	\$ -	\$ -
New Turf		\$ 4,600,000	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Stations		\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000
Other Capital - Municipal		\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000
Other Capital - School		\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000
		<u>\$ 70,045,737</u>	<u>\$ 73,680,904</u>	<u>\$ 20,500,000</u>	<u>\$ 5,828,863</u>	<u>\$ 5,500,000</u>	<u>\$ 5,500,000</u>
Annual Bond Sales							
North High School	2	\$ 35,738,732	\$ 50,139,510	\$ 15,000,000	\$ -	\$ -	\$ -
New Turf		\$ 2,200,000	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Stations		\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ 2,000,000
Other Capital - Total	3	\$ 3,500,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000	\$ 3,150,000
Annual Bond Payments							
Old Debt	4	\$ 5,743,592	\$ 5,230,326	\$ 3,827,108	\$ 3,724,376	\$ 3,088,865	\$ 2,604,535
North High School		\$ 1,235,299	\$ 3,729,161	\$ 8,329,111	\$ 9,033,312	\$ 8,835,514	\$ 8,612,316
South High School		\$ 197,943	\$ 189,493	\$ 184,723	\$ 203,483	\$ 193,323	\$ 175,363
New Turf		\$ -	\$ 245,668	\$ 239,067	\$ 232,467	\$ 225,867	\$ 219,267
Fire Stations		\$ 182,952	\$ 178,723	\$ 360,493	\$ 537,963	\$ 525,134	\$ 698,304
Other Capital - Total		\$ 416,784	\$ 715,273	\$ 1,062,376	\$ 1,396,450	\$ 1,697,243	\$ 1,985,236
		<u>\$ 7,776,569</u>	<u>\$ 10,288,644</u>	<u>\$ 14,002,877</u>	<u>\$ 15,128,050</u>	<u>\$ 14,565,945</u>	<u>\$ 14,295,020</u>
Debt Service from Capital Reserve		\$ -	\$ 1,988,323	\$ 5,052,335	\$ 5,527,820	\$ 4,265,441	\$ 3,294,880
Total General Fund Debt Service		\$ -	\$ 8,300,321	\$ 8,950,542	\$ 9,600,230	\$ 10,300,504	\$ 11,000,140

1 - Total Cost for Newton North High School is \$154 million. This includes \$6.7 million in addition to the amounts listed above

2 - \$15,000,000 debt in FY10 is the MSBA low interest loan.

3 - FY09 and forward it is assumed that the school projects will be funded 40% by MSBA reimbursement

4 - Old debt includes all debt issued prior to FY07