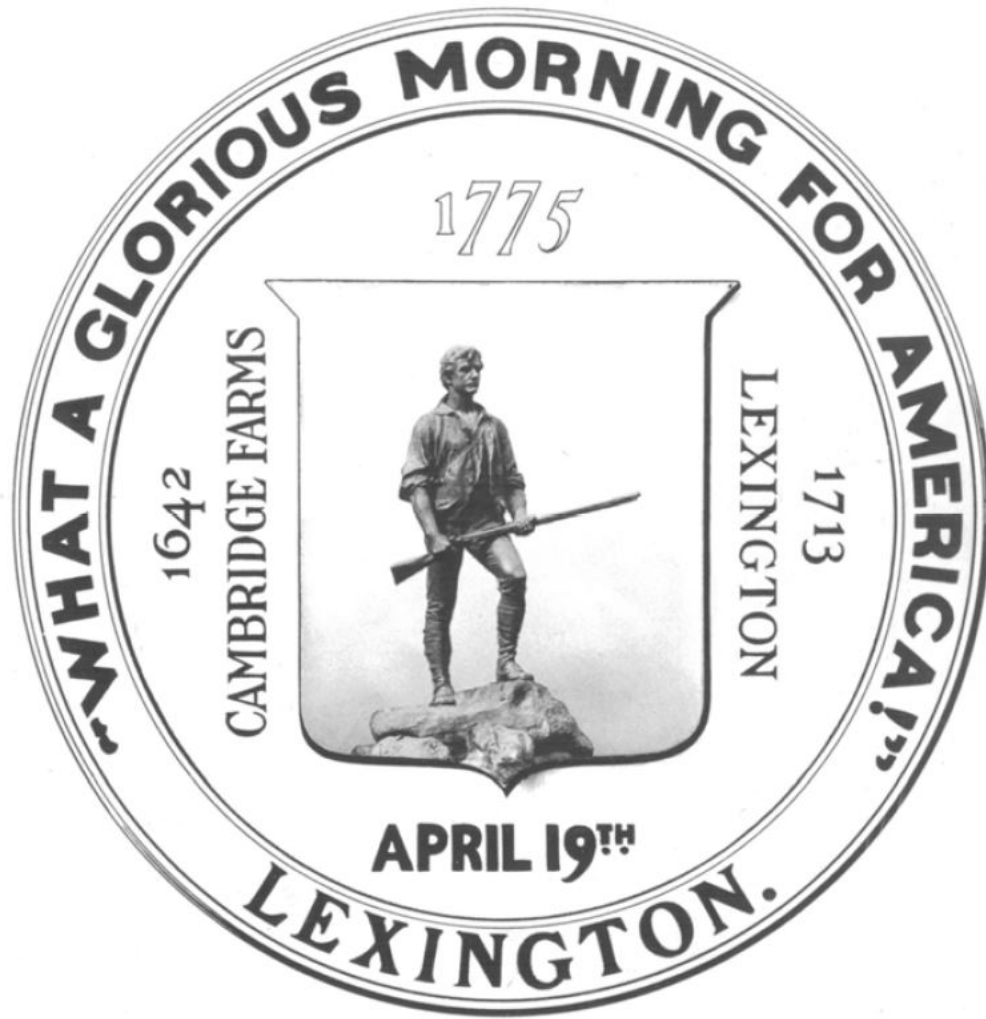


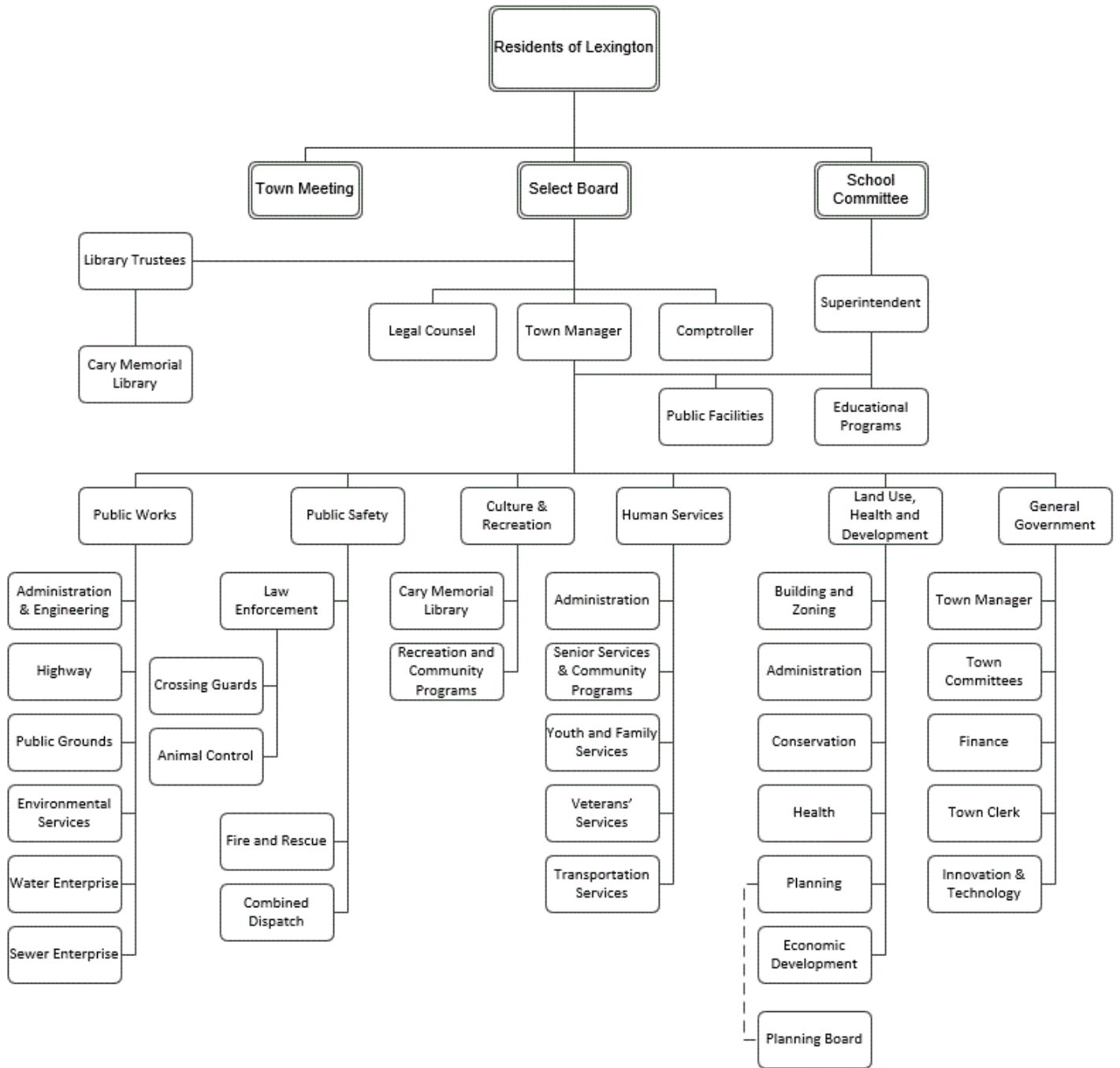
Town of Lexington,
Massachusetts



Fiscal Year 2023
Recommended
Budget & Financing Plan
February 28, 2022



Town of Lexington Organizational Chart





Town of Lexington
Town Manager's Office

James J. Malloy, Town Manager
Kelly Axtell, Deputy Town Manager

Tel: (781) 698-4540
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February 28, 2022

To: Appropriation Committee
Capital Expenditures Committee
Town Meeting Members

The Select Board has approved the FY2023 Recommended Budget and Financing Plan and, on February 7, 2022, voted to transmit it to the financial committees and Town Meeting Members for consideration. The Code of the Town of Lexington, Section 90-13, requires that this document be available for four weeks before it can be considered by the Annual Town Meeting.

As I conclude my fourth budget for the Town of Lexington, I want to acknowledge the many boards and committees, staff and citizens who participated in this process. Singling out specific individuals to thank would diminish what is a team effort. The diversity of opinion, commitment to problem solving, and focus on community priorities are hallmarks of our Town government. Lexington is well served by the many officials who contributed to this recommended budget. I greatly appreciate their leadership and vision that has been exemplified throughout the budget process.

Sincerely,

James J. Malloy

James J. Malloy
Town Manager

Table of Contents

The budget document outlines the Town’s financial plan as recommended by the Select Board. Both the operating and capital budgets are contained in this document. The effective period of this budget is from July 1, 2022 to June 30, 2023.



Budget-In-Brief

Report of the Town Manager

The Budget Message is a letter to the Select Board from the Town Manager in support of the enclosed budget recommendations. The letter provides an overview of the operating and capital budget, identifies significant budget issues, and explains the Town Manager's rationale for budget recommendations.

Section I: Budget Overview

The Budget Overview contains several summary tables, which display the schedule of the FY2023 budget process, expenditure and revenue history, and a detailed summary of proposed appropriations for the coming fiscal year.

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Acknowledgments

Preparing a budget document with this level of detail is a significant undertaking. I would like to express my appreciation to Superintendent of Schools Julie Hackett, Assistant Superintendent for Finance and Administration David Coelho, as well as the Senior Management Team and board and committee members who contributed to the development of this budget. I would like to specifically acknowledge Town Accountant Krista Murphy, Director of Assessing Robert Lent, Management Analyst Katharine Labrecque, Human Resources Director Anne Kostos, and Deputy Town Manager Kelly Axtell for their work in preparing the many facets of this document. In addition, the completion of the Recommended Budget and Financing Plan is due directly to the analysis and extraordinary efforts of Assistant Town Manager for Finance/Comptroller Carolyn Kosnoff and Budget Officer Jennifer Hewitt.

James J. Malloy, Town Manager

REPORT OF THE TOWN MANAGER

The fiscal year 2023 general fund budget totals \$260,367,794, an increase of \$9,722,320 or 3.9% over the fiscal year 2022 adopted budget. The Select Board has approved this FY2023 Recommended Budget and Financing Plan. The recommended budget is balanced and will not require a Proposition 2½ override vote.

Overview - FY2023 Recommended Budget and Financing Plan

The Select Board held a fiscal guideline summit in September 2021, and three subsequent summit meetings with the School Committee, Appropriation Committee and Capital Expenditures Committee to work through assumptions, priorities and guidelines in developing the fiscal year 2023 budget.

The Select Board established a goal of presenting a budget for FY2023 that is sustainable and will position the Town to finance the significant capital projects recently approved as well as those substantial capital projects planned in the coming five years. On January 10, 2022, the Town Manager presented a Preliminary Budget and Financing Plan that was balanced, addressed key Select Board priorities and long-term financial goals, while also protecting against the short-term challenges and uncertainties created by the COVID-19 global pandemic.

This final recommended budget incorporates those same principals and has only been modified to incorporate recently available financial data. The Select Board approved the FY2023 recommended operating and capital budgets on February 7, 2022.

This budget, being recommended to Town Meeting for adoption, provides for:

- \$57,138 to be dedicated from the Tax Levy for appropriation into the Capital Stabilization Fund per the new policy to begin to set-aside new growth from specific commercial and industrial properties to help pay for the anticipated high school;
- \$3,085,296 to be appropriated into the Capital Stabilization Fund for future tax relief related to debt service for within levy and excluded debt service;
- \$800,000 to be appropriated from the Capital Stabilization Fund to provide property tax relief related to exempt debt service for the new Hastings School, the Lexington Children's Place and Fire Station;
- \$1,935,486 in revenues to be appropriated into the Other Post-Employment Benefits (retiree health insurance) Trust Fund to continue to fund this long-term liability; and
- \$700,000 from Free Cash to support the operating budget.

In the long-term, management has committed to phasing-out the use of Free Cash for the operating budget. The FY2023 budget reflects the phase-out of \$1.5M compared to FY2022, reinstating the planned timeline after a pause in FY2021. Management anticipates that the use of Free Cash for operations will be eliminated for the FY2024 budget.

The recommendations above are largely possible due to a concerted effort to limit budget increases in FY2023, commitment to stated fiscal guidelines, and the Town's strong undesignated fund balance (i.e., free cash of \$16,384,329) position at the end of FY2021.

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

Table 1 provides a summary of the FY2023 General Fund budget, by cost center.

| Table 1 | FY2022 Appropriated | FY2023 Recommended Budget | \$ Change | % Change |
|------------------------------------|--------------------------------|--|---------------------|---------------------|
| Education (LPS and Minuteman HS) | \$ 126,507,019 | \$ 131,478,345 | \$ 4,971,327 | 3.9% |
| Shared Expenses* | \$ 64,540,037 | \$ 64,190,302 | \$ (349,735) | (0.5)% |
| Municipal Departments | \$ 42,920,017 | \$ 44,802,554 | \$ 1,882,538 | 4.4% |
| Subtotal - Operating Budget | \$ 233,967,072 | \$ 240,471,202 | \$ 6,504,129 | 2.8% |
| Cash Capital | \$ 10,136,491 | \$ 13,491,037 | \$ 3,354,546 | 33.1% |
| Other | \$ 6,541,910 | \$ 6,405,555 | \$ (136,355) | (2.1)% |
| Total - General Fund | \$ 250,645,473 | \$ 260,367,794 | \$ 9,722,320 | 3.9% |
| Projected Revenue | \$ 250,645,473 | \$ 260,367,794 | \$ 9,722,321 | 3.9% |
| Surplus/(Deficit) | \$ — | \$ — | \$ — | |

**Shared Expenses reflect the Department of Public Facilities, employee/retiree benefits, pension, debt, liability insurance and Reserve Fund.*

Select Board's Budget Priorities and Principles

This FY2023 budget is responsive to many of the priorities identified by the Select Board during its annual goal-setting meetings, including:

- **Construction of a new Police Station:** Fall 2021 Special Town Meeting approved funding for the final design of a new Police Station at 1575 Massachusetts Avenue. This budget recommends construction funding for the new Police Station be approved at the 2022 Annual Town Meeting, which will be followed by a referendum in June 2022 to exclude debt service on this facility from the limits of Proposition 2½. The FY2023 budget also includes funds to support operations at the temporary Police facility at 173 Bedford Street while the new Police Station is being built.
- **Support for Public Health and Safety:** This budget includes funding to permanently transition our existing part-time Public Health Nurse into a full-time position. ARPA funding will continue to support temporary health department staff and contact tracers throughout the pandemic. This budget also includes program improvement recommendations to fund a training manikin for paramedics to practice their life-saving skills in non-critical situations, and additional training for police officers to support the new requirements under the state's police certification program.
- **Community Mental Health Programs:** The pandemic has created a new wave of mental health challenges, and our Municipal and School Departments continue to support a joint mental health initiative. This includes a contract with the William James Interface Mental Health Referral Services, which is shared between the Municipal and School Department budgets. In addition, the Town expects to utilize ARPA funds to provide mental health support by adding additional mental health clinical services in the Human Services Department.
- **Pedestrian, Bicycle and Vehicle Safety on Town Roads:** Overall, \$3,669,767 is recommended for the construction of new Sidewalks; existing Sidewalk Improvements; and Street Improvements. This budget also funds an additional crossing guard at the Hastings Elementary School, and recommends funding to develop a townwide pedestrian and bicycle plan.

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

- **Sustainability:** Departments have begun implementing the Select Board's electric vehicle policy, and have factored increased costs into planned vehicle purchases at Recreation, Facilities, and Police.
- **Select Board Planning and Goal Setting:** This budget includes funding for a facilitated goal-setting process that will assist the Select Board and the Town Manager in prioritizing Town initiatives and effectively allocating staff time and resources.
- **Fiscal Stability:** Contributions to both the Capital Stabilization Fund (CSF) and Other Post-Employment Benefit (OPEB) Funds were put on hold in FY2021 due to uncertainty over the pandemic, but resumed in FY2022 and continue in FY2023. In addition, this budget implements the new fiscal guideline to dedicate a portion of the tax levy to the CSF to align with long-term capital spending.

In addition to providing for the specific priorities noted above, the FY2023 budget aligns with the following principles agreed to by the Select Board, School Committee and finance committees in order to preserve the Town's long-term financial condition:

1. Continue to set aside funds to transfer into the Capital Stabilization Fund as part of the comprehensive long-term strategy for funding future school and municipal projects.
2. Core services currently provided through the operating and capital budgets should be maintained, recognizing that changes in service demands may require that additional resources be provided in certain areas.
3. Recurring revenues, not reserves or one-time revenues, should support operating expenses.
4. Debt will not be used to fund current operating expenditures.
5. Adequate reserves and contingency funds will be budgeted, as appropriate, consistent with the original recommendations of the Ad hoc Financial Policy Committee (2006) and reaffirmed in 2019.
6. Sufficient funds for building maintenance will be budgeted to properly maintain facilities and equipment as well as foster energy conservation.
7. Use of one-time revenues should be limited to funding one-time expenses (e.g., capital projects) or used to fund reserve accounts.
8. Continue to provide funding for the Other Post-Employment Benefits (OPEB) liability.
9. New targeted revenue sources should be considered to fund specific projects.

The FY2023 Budget in Brief: Financing Plan, Expenditures, Reserves

While the Town’s FY2023 operating budget has many complexities, the following matters deserve specific attention:

I. Financing Plan:

a. Revenue Allocation Model: It has been the Select Board’s practice to recommend the equitable sharing of revenues between the municipal departments and the School Department. This allocation is based on a model developed by the Town Manager and Superintendent of Schools and accepted by the Select Board, School Committee and financial committees. After first funding the Shared Expenses budget and capital projects, 74% of all remaining FY2023 projected general fund revenues are allocated to the School Department and 26% are allocated to municipal departments. For FY2023, the Revenue Allocation model allocated a total of \$7.27 million in new revenue, or 4.4% more than FY2022, of which \$5.38 million was allocated to the School Department and \$1.89 million to municipal departments.

b. Revenue Projection: In FY2023, General Fund revenues are projected to increase by \$9.7 million or 3.9% over FY2022 budgeted revenues. By way of comparison, revenue growth in recent years has been:

- FY2022: 7.0% (estimated)
- FY2021: 2.5% (actual)
- FY2020: 3.4% (actual)
- FY2019: 3.6% (actual)
- FY2018: 6.6% (actual)
- FY2017: 3.3% (actual)
- FY2016: 6.8% (actual)
- FY2015: 2.6% (actual)
- FY2014: 9.4% (actual)
- FY2013: 4.7% (actual)

Table 2 provides a summary of the major General Fund revenue sources.

| Table 2 | FY2022 Tax Recap | FY2023 Projected | \$ Change | % Change | % of Total Revenue |
|--|-------------------------|-------------------------|---------------------|-----------------|---------------------------|
| Property Tax Revenue | \$ 204,171,602 | \$ 212,056,053 | \$ 7,884,450 | 3.9% | 81.4% |
| State Aid | \$ 16,492,260 | \$ 16,784,662 | \$ 292,402 | 1.8% | 6.4% |
| Total Local Receipts | \$ 12,627,933 | \$ 13,488,108 | \$ 860,175 | 6.8% | 5.2% |
| Available Funds | \$ 17,825,379 | \$ 18,507,776 | \$ 682,397 | 3.8% | 7.1% |
| Revenue Offsets | \$ (1,961,196) | \$ (2,331,557) | \$ (370,361) | 18.9% | (0.9)% |
| Enterprise Receipts | \$ 1,432,356 | \$ 1,805,613 | \$ 373,257 | 26.1% | 0.7% |
| Gross General Fund Revenues | \$250,645,473 | \$260,367,794 | \$ 9,722,321 | 3.9% | 100.0% |
| Less - Revenue Set-Aside for Designated Expenses | \$ 16,678,401 | \$ 19,896,592 | \$ 3,218,191 | 19.3% | 7.6% |
| Net General Fund Revenues | \$233,967,072 | \$240,471,202 | \$ 6,504,130 | 2.8% | 92.4% |

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

c. Revenue Sources:

Property Tax Revenue and Assessed Valuations – The property tax remains the Town’s primary revenue source, comprising 81.4% of total projected revenues in FY2023 (**Table 2**). Although residential property makes up 87.0% of the total assessed value in Lexington, residential property owners currently pay only 77.3% of total property taxes as a result of the tax classification model adopted by the Select Board (**Table 4**).

Tables 3 and 4 provide a history of the Town’s assessed valuation and property tax levy, including New Growth.

| Table 3 | Total Assessed Valuation | % Chg. from Prior Year | Property Tax Levy (before excluded debt service) | % Chg. from Prior Year | Operating Override Year* |
|----------------|---------------------------------|-------------------------------|--|-------------------------------|---------------------------------|
| FY2022 | \$ 14,044,934,971 | 8.4% | \$ 204,228,741 | 5.1% | no |
| FY2021 | \$ 12,952,768,837 | 2.8% | \$ 194,329,879 | 5.1% | no |
| FY2020 | \$ 12,598,348,097 | 5.7% | \$ 184,821,513 | 4.5% | no |
| FY2019 | \$ 11,922,400,015 | 6.2% | \$ 176,804,577 | 4.4% | no |
| FY2018 | \$ 11,227,300,560 | 6.0% | \$ 169,332,125 | 4.6% | no |
| FY2017 | \$ 10,589,456,610 | 5.4% | \$ 161,865,817 | 4.6% | no |
| FY2016 | \$ 10,048,547,685 | 7.4% | \$ 154,750,151 | 4.4% | no |
| FY2015 | \$ 9,359,615,090 | 9.4% | \$ 148,212,539 | 4.5% | no |
| FY2014 | \$ 8,555,595,350 | 3.0% | \$ 141,842,483 | 4.8% | no |
| FY2013 | \$ 8,307,956,760 | 3.5% | \$ 135,386,782 | 5.3% | no |

*The last year that an operating override was approved was for FY2008.

| Table 4 | % Assessed Valuation | | % of Property Tax Levy | |
|----------------|-----------------------------|-----------------------|-------------------------------|-----------------------|
| | Residential | All Commercial | Residential | All Commercial |
| FY2022 | 87.0% | 13.0% | 77.3% | 22.7% |
| FY2021 | 88.3% | 11.7% | 79.5% | 20.5% |
| FY2020 | 88.6% | 11.4% | 80.0% | 20.0% |
| FY2019 | 88.7% | 11.3% | 80.2% | 19.8% |
| FY2018 | 88.6% | 11.4% | 80.1% | 19.9% |
| FY2017 | 88.4% | 11.6% | 79.7% | 20.3% |
| FY2016 | 88.2% | 11.8% | 79.3% | 20.7% |
| FY2015 | 87.6% | 12.4% | 78.3% | 21.7% |
| FY2014 | 86.6% | 13.4% | 77.3% | 22.7% |
| FY2013 | 86.6% | 13.4% | 77.3% | 22.7% |

State Aid – State Aid, which is estimated at 6.4% of total revenues, is also an important source of revenue for the Town. State Aid is currently projected to increase by 1.8% for FY2023, and reflects the Governor's budget recommendation. Since the Legislature will not likely vote the FY2023 State budget until after the close of Town Meeting, management determined that this conservative approach, based on the Governor's recommended budget, is most appropriate.

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

Table 5 below provides a recent history of the Town’s State Aid including the FY2023 projection.

| Table 5 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Chapter 70-Education Unrestricted | \$ 14,217,984 | \$ 14,456,349 | \$ 14,438,034 | \$ 14,647,494 | \$ 14,852,994 |
| Charter School Reimbursement | \$ 6,532 | \$ 2,446 | \$ 80,755 | \$ 4,690 | \$ 54,959 |
| General Government Unrestricted | \$ 1,584,615 | \$ 1,627,400 | \$ 1,627,400 | \$ 1,684,359 | \$ 1,729,837 |
| Veteran's Benefits & Exemptions | \$ 154,023 | \$ 117,802 | \$ 124,689 | \$ 95,590 | \$ 92,035 |
| Offsets (School Lunch & Library) | \$ 50,296 | \$ 51,915 | \$ 63,823 | \$ 60,127 | \$ 54,837 |
| Total | \$ 16,013,450 | \$ 16,255,912 | \$ 16,334,701 | \$ 16,492,260 | \$ 16,784,662 |
| \$ Change from Prior Year | \$ 276,398 | \$ 242,462 | \$ 78,789 | \$ 157,559 | \$ 292,402 |
| % Change from Prior Year | 1.8% | 1.5% | 0.5% | 1.0% | 1.8% |

I. Expenditures:

Budget highlights include:

- a. Lexington Public Schools: The FY2023 School Department proposed General Fund budget (net of grants and other receipts) is increasing by 4.0%. The Minuteman Regional High School budget is increasing by 3.0%, a relatively modest increase compared to the other member towns, mainly because Lexington enrollment decreased slightly from FY2021 to FY2022.

- b. Municipal Departments: The municipal budget is increasing by 4.4%, largely the result of:
 - anticipated contractual salary adjustments;
 - contractual increases for curbside trash and recycling pick-up and disposal;
 - anticipated increases for gasoline and diesel under a regional consortium contract;
 - converting the part-time public health nurse to full-time;
 - converting the part-time public works management analyst to full-time;
 - additional operating support for the Visitors Center;
 - purchasing two hybrid police vehicles rather than the typical gasoline-powered models;
 - recognizing inflationary increases for various supplies, from cleaning agents to ammunition;
 - purchasing a training manikin for the fire department paramedics;
 - supporting additional training for police officers in response to new state certification requirements;
 - recognizing additional operational costs from not building a holding cell in the police swing space;
 - hiring a crossing guard to provide a third crossing area on Marrett Road for the Hastings School;
 - supporting the goal-setting activities of the select board; and
 - purchasing electronic poll pads for all precincts to reduce paper waste and increase efficiency.

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

- c. Health Insurance for Employees and Retirees: The budget for employee and retiree health insurance, which the Town purchases through the State’s Group Insurance Commission (GIC), is increasing by 4.5%.

The FY2023 health insurance budget to be presented to Town Meeting reflects no new school or municipal department positions, and 1 new Public Facilities benefited position. This budget also provides for the potential of an additional 36 active employees and 44 new retirees not currently enrolled in the Town’s health plans choosing to enroll. Further, the budget makes a provision for those employees who may convert from individual to the more expensive family plans.

Table 6 provides a recent history of the Town health insurance enrollments.

| Table 6 | Employees/Retirees Enrolled in Health Insurance Program | | | | | Total In Opt-Out Program³ |
|--------------------------------|--|-------------------------|------------------------|-----------------|--------------|---|
| Fiscal Year¹ | Municipal Employees | School Employees | Total Employees | Retirees | Total | |
| 2022 | 282 | 912 | 1,194 | 1,338 | 2,532 | 86 |
| 2021 | 269 | 913 | 1,182 | 1,302 | 2,484 | 78 |
| 2020 | 275 | 911 | 1,186 | 1,307 | 2,493 | 84 |
| 2019 | 260 | 892 | 1,152 | 1,289 | 2,441 | 72 |
| 2018 | 257 | 838 | 1,095 | 1,269 | 2,364 | 65 |
| 2017 | 261 | 827 | 1,088 | 1,243 | 2,331 | 69 |
| 2016 | 261 | 836 | 1,097 | 1,222 | 2,319 | 40 |
| 2015 | 268 | 835 | 1,103 | 1,189 | 2,292 | N/A |
| 2014 | 269 | 839 | 1,108 | 1,151 | 2,259 | N/A |
| 2013 ² | 253 | 822 | 1,075 | 1,112 | 2,187 | N/A |
| 2012 | 264 | 827 | 1,091 | 1,034 | 2,125 | N/A |
| 2011 | 272 | 835 | 1,107 | 1,016 | 2,123 | N/A |
| 2010 | 264 | 847 | 1,111 | 1,000 | 2,111 | N/A |
| 2009 | 267 | 859 | 1,126 | 991 | 2,117 | N/A |
| 2008 | 256 | 834 | 1,090 | 976 | 2,066 | N/A |
| 2007 | 260 | 819 | 1,079 | 948 | 2,027 | N/A |

Note 1: Data as of November of each fiscal year.

Note 2: Increase in retiree enrollments in 2013 represents transfer of certain retirees from active to Medicare supplement plans.

Note 3: Beginning in FY2016, the Town began a health insurance opt-out program. Employees who were enrolled in the Town's health insurance program and who elect to withdraw, receive a payment of \$2,500 if withdrawing from an individual plan, and \$5,000 if withdrawing from a family plan. This program will save the Town approximately \$597,500 in FY2022.

- d. Utilities/Fuel: Utility costs for FY2023, accounted for in the general and enterprise funds, are expected to increase by \$122,643 or 3.0%. Electricity is essentially level-funded; costs are expected to decrease once the new solar arrays are operational, but the timing and extent of the savings, with multiple overlapping variables, is difficult to project with any degree of accuracy. Finally, Heating Oil and Diesel/Gasoline reflect anticipated cost increases under a regional consortium bid that will not be determined until Spring 2022.

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

Table 7 provides a recent history of the Town's energy budget.

| Table 7 | FY2020 Actual | FY2021 Actual | FY2022 Estimated | FY2023 Budgeted | FY22-23 \$ Change | FY22-23 % Change |
|------------------|----------------------|----------------------|-------------------------|------------------------|--------------------------|-------------------------|
| Electricity | \$ 2,469,671 | \$ 2,400,359 | \$ 2,863,401 | \$ 2,868,901 | \$ 5,500 | 0.2 % |
| Heating Oil | \$ 2,453 | \$ 2,514 | \$ 3,000 | \$ 3,500 | \$ 500 | 16.7 % |
| 173 Bedford Tent | \$ 89,000 | \$ — | \$ — | \$ — | \$ — | — % |
| Natural Gas | \$ 756,663 | \$ 842,268 | \$ 798,500 | \$ 798,500 | \$ — | — % |
| Diesel/Gasoline | \$ 279,277 | \$ 300,371 | \$ 409,288 | \$ 525,931 | \$ 116,643 | 28.5 % |
| Total | \$ 3,597,064 | \$ 3,545,512 | \$ 4,074,189 | \$ 4,196,832 | \$ 122,643 | 3.0 % |

Table 8 provides a summary of the revenues the Town is anticipated to receive from its rooftop solar units and Hartwell Avenue Compost site - ground mount units. In calendar year 2021, several new solar projects were installed at Lexington Children's Place, Bowman, Bridge, Harrington, Hastings, Clarke and Diamond schools. Full-year revenue estimates are not yet available for these installations, but they will be included in future year budgets.

Table 8

| Town Facility | FY2018 Actual** | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projection |
|----------------------------------|------------------------|----------------------|----------------------|----------------------|------------------------|--------------------------|
| Rooftop Solar Credits to Town | \$ 303,696 | \$ 333,329 | \$ 326,421 | \$ 308,738 | \$ 291,500 | \$ 291,500 |
| Rooftop PILOT* | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 |
| Rooftop Solar Payments to Vendor | \$ (157,038) | \$ (159,033) | \$ (173,254) | \$ (164,249) | \$ (165,000) | \$ (165,000) |
| Net Revenue subtotal | \$ 176,658 | \$ 204,296 | \$ 183,167 | \$ 174,489 | \$ 156,500 | \$ 156,500 |
| Hartwell Solar Revenue | \$ 647,232 | \$ 720,493 | \$ 691,986 | \$ 674,298 | \$ 670,000 | \$ 670,000 |
| Hartwell PILOT* | \$ 55,400 | \$ 55,400 | \$ 55,400 | \$ 55,400 | \$ 55,400 | \$ 55,400 |
| Hartwell Annual Lease | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| Hartwell Solar Payments | \$ (355,257) | \$ (351,839) | \$ (385,512) | \$ (367,694) | \$ (390,000) | \$ (390,000) |
| Net Revenue subtotal | \$ 348,375 | \$ 425,054 | \$ 362,875 | \$ 363,004 | \$ 336,400 | \$ 336,400 |
| Total Net Revenue | \$ 525,033 | \$ 629,350 | \$ 546,042 | \$ 537,493 | \$ 492,900 | \$ 492,900 |

*Payments in Lieu of Taxes (PILOT) are considered Personal Property taxes paid to the Town.

**FY2018 costs/revenue for Hartwell are not representative of a full year of operations.

II. Reserves: Reserve funds provide an important tool in managing Town finances during a recessionary period. In 2005, the Board appointed the Ad Hoc Financial Policy Committee to examine and propose comprehensive financial policies to address operational needs, catastrophic and emergency reserves, maintenance of assets and unfunded liabilities. The resulting policy recommendations adopted by the Select Board called for building financial reserves and addressing the Town's unfunded liabilities over a multi-year period. Implementing these policy recommendations, together with prudent budgeting, allowed the Town to weather the 2008-2012 financial downturn without materially impacting Town services or school programs. In 2019, the Town reviewed and reaffirmed its reserve policies as part of an overall fiscal guideline review.

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

Table 9 below provides a summary of the Town’s primary reserve funds.

| Table 9 | General Stabilization Fund | Special Education Stabilization Fund | Other Post Employment Benefits Trust Fund | Capital Stabilization Fund |
|--|-----------------------------------|---|--|-----------------------------------|
| Current Balance* | \$ 10,105,151 | \$ 654,674 | \$ 27,906,814 | \$ 21,672,549 |
| Proposed Appropriation From (2022 ATM) | \$ — | \$ — | \$ — | \$ (800,000) |
| Proposed Appropriation Into (2022 ATM) | \$ — | \$ — | \$ 1,935,486 | \$ 3,142,434 |
| Projected Balance, July 1, 2022 | \$ 10,105,151 | \$ 654,674 | \$ 29,842,300 | \$ 24,014,984 |

*Reflects 12/31/2021 Balance

The Town’s goal has been to build its operating budget reserves (i.e., General Stabilization Fund) to a level of seven percent of General Fund revenues, an amount considered sufficient to offset three years of revenue shortfalls that typically occur during an economic slowdown. As part of the fiscal guideline review in 2019, the Town also considered the recommendation of the Government Finance Officers Association which is to set aside the equivalent of two months (16.67%) of General Fund operating revenues. Management is satisfied that the current balance in the General Stabilization fund will meet the Town's needs, and will continue to be monitor and evaluate this fund when developing future budgets. The FY2023 budget includes a recommendation to continue to set aside funds for the Other Post-Employment Benefits fund (i.e., retiree health care) for the 15th consecutive year.

The FY2023 budget includes the implementation of a *newly adopted* fiscal guideline to dedicate new tax levy growth from specific properties to increase reserves for future capital projects. At Fall 2021 Special Town Meeting, \$57,138 was transferred to the Capital Stabilization Fund (CSF) from the tax levy under this new guideline. That amount continues into FY2023 and is anticipated to grow significantly once new levy growth for the targeted properties is calculated for FY2023. Fall 2022 Special Town Meeting will be asked to transfer that further amount to the CSF.

Table 10 below provides a history of appropriations into and out of the Capital Stabilization Fund and recommendations for FY2023, including dedicated tax levy growth per the new fiscal guideline:

| Table 10 | FY2019 | FY2020 | FY2021 | FY2022 Appropriated | FY2023 Budget |
|--|---------------|---------------|---------------|----------------------------|----------------------|
| Appropriated One-Time Sources for CSF | \$ 3,560,335 | \$ 2,269,456 | \$ — | \$ 3,730,836 | \$ 3,085,296 |
| Dedicated Tax Levy Growth for CSF | \$ — | \$ — | \$ — | \$ 57,138 | \$ 57,138 |
| Prior Year Balance | \$28,597,934 | \$27,727,713 | \$25,229,254 | \$ 20,674,058 | \$21,672,549 |
| Investment Income | \$ 642,944 | \$ 432,085 | \$ 44,804 | \$ 10,518 | |
| Subtotal - Available for Appropriation | \$32,801,213 | \$30,429,254 | \$25,274,058 | \$ 24,472,549 | \$24,814,984 |
| Appropriation From Stabilization Fund | | | | | |
| Excluded Debt Service Tax Relief | \$ 4,500,000 | \$ 5,200,000 | \$ 4,600,000 | \$ 2,800,000 | \$ 800,000 |
| Within Levy Debt Service | \$ 573,500 | \$ — | \$ — | \$ — | \$ — |
| Subtotal | \$ 5,073,500 | \$ 5,200,000 | \$ 4,600,000 | \$ 2,800,000 | \$ 800,000 |
| Projected Balance of Fund | \$27,727,713 | \$25,229,254 | \$20,674,058 | \$ 21,672,549 | \$24,014,984 |

Over the last several years the Town has drawn funds from the Capital Stabilization Fund to mitigate debt service that has been excluded from Proposition 2½, therefore providing relief to taxpayers. The Town continues to appropriate into the Capital Stabilization Fund in anticipation of future capital projects including the Police Station reconstruction and a potential renovation or reconstruction of Lexington High School.

The FY2023 Capital Budget: Financing Infrastructure and Equipment

I. Proposed Capital Spending:

The recommended Capital Budget will provide for the continued replacement of and improvements to Town buildings, infrastructure and equipment. Articles 10-16 in the 2022 Annual Town Meeting Warrant represent the capital portion of this year's recommended budget. For FY2023, a total capital budget of \$69.2 million is proposed.

Table 11 provides a summary of funding sources financing the Town's recommended capital plan for FY2023.

| Table 11 | Free Cash/ Tax Levy | Other Funding Sources | Debt | Total | Other** |
|-----------------------------|--------------------------------|----------------------------------|---------------------|---------------------|-------------------|
| General Fund | \$ 12,942,290 | \$ — | \$ 5,940,000 | \$ 18,882,290 | \$ — |
| Excluded Debt Projects | \$ — | \$ — | \$ 32,800,000 | \$ 32,800,000 | \$ — |
| Other Funding & Chapter 90 | \$ — | \$ 548,747 | \$ — | \$ 548,747 | \$ 982,231 |
| Water Enterprise | \$ — | \$ 2,420,000 | \$ — | \$ 2,420,000 | \$ — |
| Sewer Enterprise | \$ — | \$ 1,665,000 | \$ 1,500,000 | \$ 3,165,000 | \$ — |
| Recreation Enterprise | \$ — | \$ 95,000 | \$ — | \$ 95,000 | \$ — |
| Community Preservation Act* | \$ — | \$ 11,322,556 | \$ — | \$ 11,322,556 | \$ — |
| Total (all Funds) | \$12,942,290 | \$ 16,051,303 | \$40,240,000 | \$69,233,593 | \$ 982,231 |

*Includes both Town and non-Town CPA funded projects.

**Other represents Chapter 90 Aid for street improvements. This item does not require a Town Meeting appropriation.

The \$32.8 million in Excluded Debt Projects represents construction funding for the Police Station. This project is on the Special Town Meeting 2022-1 warrant, and a debt exclusion vote is anticipated in June 2022.

Table 12 provides a summary of the Town's cash capital plan for the period FY2016-2023.

| Table 12 | Cash Capital | Change from Prior Year | Percent of Operating Budget |
|------------------------|---------------------|-----------------------------------|--|
| FY2023 Proposed | \$13,491,037 | 33.1% | 5.2% |
| FY2022 Appropriated | \$10,136,491 | 29.8% | 4.0% |
| FY2021 Appropriated | \$7,812,019 | (4.0)% | 3.3% |
| FY2020 Appropriated* | \$8,137,274 | 5.1% | 3.5% |
| FY2019 Appropriated | \$7,743,938 | 20.6% | 3.5% |
| FY2018 Appropriated | \$6,421,619 | 14.3% | 3.0% |
| FY2017 Appropriated | \$5,619,429 | 21.0% | 2.8% |
| FY2016 Appropriated | \$4,642,987 | (22.1)% | 2.4% |

*The FY2020 total includes \$875,858 approved at the Fall 2019 Special Town Meeting for LED street light replacements.

In FY2022 the Town made final payments on the Land purchases at 20 Pelham Road (\$8.0M) and 173 Bedford Street (\$4.4M), which were paid-down over a 5-year period. This reduced the FY2023 debt service budget by approximately \$2.4M which is now being diverted to cash capital.

FISCAL YEAR 2023 RECOMMENDED BUDGET AND FINANCING PLAN

II. Other Planned Capital Projects/Property Tax Relief:

The Town recently completed a number of significant capital projects, including the new Hastings School, the Lexington Children's Place building (pre-kindergarten) at the Pelham Road property, a new fire headquarters and a new Visitor's Center, and construction is underway on the Center Streetscape improvement project. In the near future the Town expects projects to construct a new police station and to renovate or reconstruct Lexington High School. It is recommended, and shown in Table 10, that the Town appropriate into the Capital Stabilization Fund an additional \$3,085,296 from one-time sources and \$57,138 dedicated from the tax levy, to be used to mitigate the related debt service for current and future projects, thereby providing tax relief to Lexington's taxpayers.

III. Debt/Debt Service:

The Town of Lexington has maintained an Aaa credit rating for many years. Moody's Investors Service reaffirmed the Town's credit rating in January 2022, and rated the Town's municipal bond offering Aaa. The Town sold \$16.656 million of long-term debt in January 2022 at a net interest cost of 1.56 percent over a 15-year term. In its credit rating opinion, Moody's cited the Town's strong fiscal management including conservative budgeting, sizeable and wealthy tax base, healthy reserves and liquidity, and voter support for debt exclusions as positive credit factors. The Aaa/AAA rating is the highest credit rating a municipality can receive and allows the Town to borrow funds at the most favorable interest rates.

Table 13 provides an historical summary of the Town's debt service. More detailed debt service schedules can be found in Section XI of this Recommended Budget and Financing Plan. The credit rating agencies find that debt service up to 10 percent of revenues reflects strong financial condition. For FY2023, the Town expects all debt service to be 8.73 percent of gross operating revenues.

The FY2023 budget proposes appropriating \$800,000 from the Capital Stabilization Fund to provide property tax relief for excluded debt service.

| Table 13 Annual Debt Service | FY2017 Actual | FY2018 Actual | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Budgeted | FY2023 Proposed |
|--|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|
| General Fund^{1, 2} | \$ 7,037,701 | \$ 9,388,135 | \$ 10,837,525 | \$ 9,556,878 | \$ 10,237,538 | \$ 10,397,112 | \$ 7,541,580 |
| Prop 2½ Excluded Debt³ | \$ 8,330,185 | \$ 10,692,690 | \$ 13,860,000 | \$ 16,328,254 | \$ 17,284,830 | \$ 16,747,991 | \$ 15,980,302 |
| Water | \$ 1,374,696 | \$ 1,470,783 | \$ 1,436,995 | \$ 1,192,000 | \$ 965,096 | \$ 1,179,794 | \$ 1,224,746 |
| Compost Revolving Fund | \$ 91,228 | \$ 151,671 | \$ 216,859 | \$ 217,303 | \$ 205,557 | \$ 163,001 | \$ 227,475 |
| Sewer | \$ 937,922 | \$ 1,034,904 | \$ 1,134,396 | \$ 1,200,863 | \$ 1,243,337 | \$ 1,464,513 | \$ 1,595,417 |
| Recreation | \$ 100,000 | \$ 100,000 | \$ — | \$ — | \$ — | \$ — | \$ — |
| Total Debt Service | \$ 17,871,732 | \$ 22,838,183 | \$ 27,485,775 | \$ 28,495,298 | \$ 29,936,358 | \$ 29,952,411 | \$ 26,569,520 |
| Gross Revenues | \$233,826,431 | \$253,167,533 | \$261,842,913 | \$271,547,222 | \$279,005,971 | \$293,811,136 | \$304,279,088 |
| Debt Svc. as % of Revenue | 7.64% | 9.31% | 10.50% | 10.49% | 10.73% | 10.19% | 8.73% |

Note 1: General Fund debt service is gross debt service and does not reflect the use of the Capital Stabilization Fund to mitigate the debt service impact on the overall budget.

Note 2: General Fund debt service for FY2018, FY2019, FY2020, FY2021 and FY2022 includes an additional \$2,351,430, \$3,050,000, \$2,234,614, \$2,403,450, and \$2,320,274, respectively, to retire notes for 173 Bedford Street and 20 Pelham Road land purchases. FY2022 is the final payment for these land purchases and a primary driver for the decrease in debt service in FY2023.

Note 3: Proposition 2½ Excluded Debt is gross excluded debt service and does not reflect the use of the Capital Stabilization Fund to mitigate the debt service impact on taxpayers.

History of Proposition 2½ Overrides and Debt Exclusions in Lexington

The FY2023 budget, as presented, is balanced without the need for a Proposition 2½ Operating Override. Below is a history of Operating Override and Debt Exclusion election results in Lexington:

| History of Proposition 2½ Override Votes | | | | | |
|---|------|---|--------------------|----------------|-----------|
| Date of Vote | FY | Proposition 2½ Overrides | Operating Override | Debt Exclusion | Result |
| June 2022 | 2023 | Police Department Reconstruction | | \$32,800,000 | TBD |
| Dec 2017 | 2018 | Fire Department Reconstruction | | \$22,140,000 | Approved |
| | | Hastings School Reconstruction | | \$65,279,418 | Approved |
| | | Lexington Children's Place New Building | | \$15,079,342 | Approved |
| May 2016 | 2017 | Diamond & Clarke School Renovations | | \$71,663,200 | Approved |
| Jan 2012 | 2012 | Estabrook School Reconstruction | | \$29,100,000 | Approved |
| | | Bridge & Bowman School Renovations | | \$22,700,000 | Approved |
| Jun 2007 | 2008 | Schools | \$3,981,589 | | Approved |
| | | Public Works Facility | | \$25,180,000 | Approved |
| Jun 2006 | 2007 | Schools #1 | \$2,614,509 | | Not Appr. |
| | | Schools #2 | \$551,607 | | Not Appr. |
| | | Maintenance - Schools & Municipal | \$1,059,100 | | Approved |
| | | Municipal | \$799,335 | | Approved |
| Jun 2004 | 2005 | Override | \$4,224,340 | | Approved |
| Jun 2003 | - | Override | \$4,957,000 | | Not Appr. |
| Jun 2002 | 2003 | Schools, Roads, Lincoln Park | | \$42,550,000 | Approved |
| May/June 2000 | 2001 | Town/School Services and Roads | \$3,440,829 | | Approved |
| Dec 1998 | 2000 | School Building Project | | \$52,235,000 | Approved |
| Dec 1997 | - | School Building Project | | \$68,200,000 | Not Appr. |
| Jun 1995 | 1996 | Schools | \$1,172,152 | | Approved |
| | | Open Space | \$29,000 | | Approved |
| | | Police | \$102,000 | | Approved |
| | | Fire | \$196,848 | | Approved |
| Jun 1992 | 1993 | Trash/Collection | \$2,718,092 | | Approved |
| Jun 1990 | 1991 | Town/School Services | \$1,097,829 | | Approved |
| Aug 1988 | 1989 | Pine Meadows Golf Course | | \$11,000,000 | Approved |

Elderly/ Low-Income Property Tax Relief

The Select Board continues to examine various options to provide property tax relief to low-income and elderly residents. The FY2023 recommended budget provides funding for the following tax relief programs:

1. Senior Service Program – Qualified property owners age 60 and older earning less than \$90,000 can work for the Town and receive up to \$1,755 per household toward their property tax bills.
2. Property Tax Deferral – The Town received special legislation to increase the income limits for residents over 65 years of age who wish to defer their property taxes. Seniors who earn less than \$90,000 qualify for this program, increased from \$75,000 at the 2020 Annual Town Meeting.

As a result of 2006 State legislation, Town Meeting voted to decrease the 8 percent interest rate charged for elderly residents who choose to defer payment of their property taxes. The interest rate is determined each March for the coming fiscal year and is tied to the U.S. Treasury 1-Year Constant Maturity rate. The interest rate for deferred taxes for the past ten years has been:

| | |
|----------------------|----------------------|
| FY2022: 0.08 percent | FY2017: 0.66 percent |
| FY2021: 1.41 percent | FY2016: 0.25 percent |
| FY2020: 2.55 percent | FY2015: 0.12 percent |
| FY2019: 1.96 percent | FY2014: 0.15 percent |
| FY2018: 0.82 percent | FY2013: 0.18 percent |

Those who qualify for the Property Tax Deferral may also request to defer their water and sewer bills at the same interest rate.

3. Property Tax Exemption Limits – At the 2006 Annual Town Meeting, the Town voted to double the amount of the property tax exemption for certain qualifying elderly residents, to \$1,000.
4. Personal Property Tax Exemption Increase – At the 2018 Annual Town Meeting, The Town voted to accept accept MGL Chapter 59, section 5C½, which provides an additional exemption of 100% of all applicable personal exemptions.
5. CPA Surcharge Exemption – The Town offers an exemption from the Community Preservation Act surcharge to qualified low-income residents.
6. Low-Income Water/Sewer Rates Discount – The Town provides a 30 percent discount on water and sewer rates to qualified low-income residents.

Collective Bargaining

The Town has settled collective bargaining agreements with the following unions and associations through:

- FY2024: Public Works Union
- FY2023: Library Union
- FY2022: Fire Union
- FY2022: Lexington Municipal Management Association
- FY2022: Lexington Municipal Employees Association
- FY2022: Police Superior Officers Union
- FY2022: School Crossing Guards Union
- FY2021: Dispatchers Union
- FY2021: Municipal Facilities Staff Union
- FY2021: Police Officers Association

The budget for FY2023 includes amounts, in the Salary Adjustment Account, that may be required for those collective bargaining contracts yet to be settled.

Tax Rate Estimate

Section 12 of the Selectmen-Town Manager Act requires the Town Manager to provide an unofficial estimate of the tax rate that might result if the financial plans presented in this report are adopted and the assumptions with respect to State aid prove reasonably accurate. Without assuming any change in the tax shift factor or assessed valuations for Fiscal Year 2023, a residential tax rate of \$14.20/\$1,000 of valuation is estimated compared to the residential tax rate of \$13.80/\$1,000 of valuation for Fiscal Year 2022.

The following table provides a summary of components of the property tax bill for a home assessed at \$1,078,000, which is the current median residential property value in Lexington.

| MEDIAN RESIDENTIAL TAX BILL | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 (est.) |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------------|
| Property tax w/2.5% increase | \$ 12,092 | \$ 12,592 | \$ 13,186 | \$ 13,630 | \$ 13,925 | \$ 14,273 |
| Proposition 2½ debt exclusion | \$ 592 | \$ 667 | \$ 794 | \$ 890 | \$ 951 | \$ 1,035 |
| Community Preservation Act surcharge | \$ 338 | \$ 355 | \$ 377 | \$ 392 | \$ 405 | \$ 417 |
| Total tax bill | \$13,022 | \$13,614 | \$14,357 | \$14,912 | \$15,281 | \$15,725 |
| Home at Median Value | \$887,000 | \$939,000 | \$995,000 | \$1,009,000 | \$1,078,000 | \$1,078,000 |

Assumes no change in the residential/commercial tax shift in FY2022 to FY2023.

Assumes no change in total valuation by class of property (residential, commercial/industrial, personal property) in FY2023.

Additional Information

The remainder of this document provides additional information on various aspects of the Town's budget. In addition, the School Committee, Appropriation Committee and Capital Expenditures Committee will be providing separate documents, reports and recommendations.

Further questions may also be directed to:

Town Manager James J. Malloy: jmalloy@lexingtonma.gov; 781-698-4540










Assistant Town Manager for Finance Carolyn Kosnoff: ckosnoff@lexingtonma.gov;
781-698-4622

Budget Officer Jennifer Hewitt: jkhewitt@lexingtonma.gov; 781-698-4626

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FY2023 Budget Process

| | July | August | September | October | November | December | January | February | March | April | May | June |
|--------------|------|--------|---|---|---|---|---|----------|---|---|-----|------|
| Elections | | | | | | | | |  | | | |
| Town Meeting | | | | |  | | | | |  | | |
| Town Manager | | | | | | |  | |  | | | |
| Summit | | |  |  | |  |  | | | | | |
| Select Board | | | | | | | | | | | | |
| School Cmte. | | | | | | | | | | | | |

----- Calendar Year 2021 ----- Calendar Year 2022 -----

Important Dates

| | | | |
|--|--|---|--|
| <p>July 2021 Issuance of Capital and Operating Budget Guidelines</p> | | | |
| <p>September 2021  Fiscal Guideline Summit - review FY2021 results Town Manager Review of Capital Budget Requests</p> | | September 22nd | |
| <p>October 2021  Budget Summit I - Financial Indicators & Projections Town Manager Review of Operating Budget Requests</p> | | October 8th | |
| <p>November-December 2021  Special Town Meeting  Budget Summit II - Revenue Projections and Revenue Allocation Municipal Budget Presentations for Select Board</p> | | <p>November 8-18 December 2nd Nov. 30, Dec. 1, 7</p> | |
| <p>January 2022  Submittal of Superintendent's Recommended Budget to SC Submittal of Manager's Recommended Budget to Select Board School Committee Hearings on Budget  Budget Summit III - Review of Town Manager's Preliminary Budget</p> | | <p>January 4th January 10th January 11th January 13th</p> | |
| <p>February 2022  Select Board Vote on FY2023 Recommended Budget FY2023 Recommended Budget submitted to Town Meeting</p> | | <p>February 7th February 28th</p> | |
| <p>March 2022  Municipal Election Town Meeting Commences  Budget Presentations by Town Manager and Superintendent  Town Meeting Begins Budget Deliberations</p> | | <p>March 7th March 28th TBD March 28th</p> | |

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Section I Budget Overview

Town of Lexington, MA

Summary of Revenues and Expenditures

The summary below shows revenues & expenditures for the Town of Lexington for FY2020-FY2023. It reflects actual results of FY2020 and FY2021, FY2022 estimated revenues and budgeted expenditures submitted to the Department of Revenue for the certification of the FY2022 tax rate, and the budget recommendations of the Town Manager and School Superintendent for FY2023 budget and projected revenues to support those recommendations.

| Revenue Summary | FY2020 Actual | FY2021 Actual | FY2022 Recap | FY2023 Projected |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Tax Levy | \$ 184,821,514 | \$ 194,329,878 | \$ 204,228,741 | \$ 212,113,191 |
| State Aid | \$ 16,255,912 | \$ 16,334,701 | \$ 16,492,260 | \$ 16,784,662 |
| Local Receipts | \$ 16,824,395 | \$ 15,358,065 | \$ 12,627,933 | \$ 13,488,108 |
| Available Funds | \$ 14,264,142 | \$ 11,805,351 | \$ 17,825,379 | \$ 18,507,776 |
| Revenue Offsets | \$ (1,875,209) | \$ (1,773,854) | \$ (1,961,196) | \$ (2,331,557) |
| Enterprise Funds (Indirect) | \$ 1,696,348 | \$ 1,749,435 | \$ 1,432,356 | \$ 1,805,613 |
| Total General Fund | \$ 231,987,101 | \$ 237,803,577 | \$ 250,645,473 | \$ 260,367,794 |
| General Fund Expenditure Summary | | | | |
| Education | | | | |
| Lexington Public Schools | \$ 109,609,162 | \$ 115,274,811 | \$ 123,376,981 | \$ 128,254,447 |
| Minuteman Regional School | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 |
| <i>Subtotal Education</i> | <i>\$ 112,079,293</i> | <i>\$ 118,137,958</i> | <i>\$ 126,507,019</i> | <i>\$ 131,478,345</i> |
| Municipal Departments | \$ 37,066,492 | \$ 39,479,010 | \$ 42,920,017 | \$ 44,802,554 |
| Shared Expenses | | | | |
| Benefits & Insurance | \$ 34,516,484 | \$ 35,996,400 | \$ 39,754,560 | \$ 41,744,415 |
| Property Insurance & Solar | \$ 1,440,268 | \$ 1,408,990 | \$ 1,485,000 | \$ 1,485,000 |
| Debt (within-levy) | \$ 9,556,878 | \$ 10,237,538 | \$ 10,397,112 | \$ 7,541,581 |
| Reserve Fund | \$ — | \$ — | \$ 750,000 | \$ 750,000 |
| Facilities | \$ 11,095,414 | \$ 11,140,933 | \$ 12,153,365 | \$ 12,669,307 |
| <i>Subtotal Shared Expenses</i> | <i>\$ 56,609,045</i> | <i>\$ 58,783,861</i> | <i>\$ 64,540,037</i> | <i>\$ 64,190,303</i> |
| Capital | | | | |
| Cash Capital (designated) | \$ 8,137,274 | \$ 7,812,019 | \$ 10,136,491 | \$ 13,491,037 |
| <i>Subtotal Capital</i> | <i>\$ 8,137,274</i> | <i>\$ 7,812,019</i> | <i>\$ 10,136,491</i> | <i>\$ 13,491,037</i> |
| Other | | | | |
| Other (allocated) | \$ 4,358,036 | \$ 1,368,916 | \$ 6,541,910 | \$ 5,655,515 |
| Other (unallocated) | \$ — | \$ — | \$ — | \$ 750,040 |
| <i>Subtotal Other</i> | <i>\$ 4,358,036</i> | <i>\$ 1,368,916</i> | <i>\$ 6,541,910</i> | <i>\$ 6,405,555</i> |
| Total General Fund | \$ 218,250,140 | \$ 225,581,764 | \$ 250,645,473 | \$ 260,367,794 |
| General Fund Surplus/(Deficit) | \$ 13,736,961 | \$ 12,221,814 | \$ — | \$ — |

Section I Budget Overview

| Program Summary | | A | B | C | D | E | F |
|---|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------|
| | | FY2020 | FY2021 | FY2022 | FY2023 | (D-C) | (E/C) |
| Element | Description | Actual | Actual | Restated | Recommended | Change \$ | Change % |
| Operating Budget - General Fund Expenses | | | | | | | |
| <u>Program 1000: Education</u> | | | | | | | |
| | 1100 Lexington Public Schools | \$ 109,609,162 | \$ 115,274,811 | \$ 123,376,981 | \$ 128,254,447 | \$ 4,877,466 | 3.95 % |
| | 1200 Regional High School | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00 % |
| Total Education | | \$ 112,079,293 | \$ 118,137,958 | \$ 126,507,019 | \$ 131,478,345 | \$ 4,971,326 | 3.93 % |
| <u>Program 2000: Shared Expenses</u> | | | | | | | |
| | 2110 Contributory Retirement | \$ 6,334,436 | \$ 6,679,199 | \$ 7,417,500 | \$ 8,159,250 | \$ 741,750 | 10.00 % |
| | 2120 Non-Contributory Retirement | \$ 15,487 | \$ 15,907 | \$ 16,327 | \$ 16,777 | \$ 450 | 2.76 % |
| | 2130 Employee Benefits (Health/Dental/Life/Medicare) | \$ 27,079,216 | \$ 28,361,983 | \$ 31,370,733 | \$ 32,743,388 | \$ 1,372,655 | 4.38 % |
| | 2140 Unemployment | \$ 200,000 | \$ 64,311 | \$ 200,000 | \$ 200,000 | \$ — | — % |
| | 2150 Workers' Comp.* (MGL Ch.40:13A&13C, Ch.41:111F) | \$ 887,346 | \$ 875,000 | \$ 750,000 | \$ 625,000 | \$ (125,000) | (16.67) % |
| | <i>Subtotal 2100 Benefits</i> | <i>\$ 34,516,484</i> | <i>\$ 35,996,400</i> | <i>\$ 39,754,560</i> | <i>\$ 41,744,415</i> | <i>\$ 1,989,855</i> | <i>5.01 %</i> |
| | 2210 Property & Liability Insurance | \$ 804,756 | \$ 791,296 | \$ 845,000 | \$ 895,000 | \$ 50,000 | 5.92 % |
| | 2220 Uninsured Losses* (MGL Ch. 40, Sec. 13) | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 200,000 | \$ (50,000) | (20.00) % |
| | <i>Subtotal 2200 Property & Liability Insurance</i> | <i>\$ 1,054,756</i> | <i>\$ 1,041,296</i> | <i>\$ 1,095,000</i> | <i>\$ 1,095,000</i> | <i>\$ —</i> | <i>— %</i> |
| | 2310 Solar Producer Payments | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |
| | <i>Subtotal 2300 Solar Producer Payments</i> | <i>\$ 385,512</i> | <i>\$ 367,694</i> | <i>\$ 390,000</i> | <i>\$ 390,000</i> | <i>\$ —</i> | <i>— %</i> |
| | 2410 Principal on Long Term Debt | \$ 5,968,224 | \$ 6,292,000 | \$ 5,626,400 | \$ 5,274,000 | \$ (352,400) | (6.26) % |
| | 2420 Interest on Long Term Debt | \$ 1,010,976 | \$ 1,101,675 | \$ 956,198 | \$ 1,217,534 | \$ 261,336 | 27.33 % |
| | 2430 Principal & Interest on Temporary Debt | \$ 2,577,678 | \$ 2,843,863 | \$ 3,814,514 | \$ 1,050,046 | \$ (2,764,468) | (72.47) % |
| | <i>Subtotal 2400 Debt Services</i> | <i>\$ 9,556,878</i> | <i>\$ 10,237,538</i> | <i>\$ 10,397,112</i> | <i>\$ 7,541,580</i> | <i>\$ (2,855,532)</i> | <i>(27.46) %</i> |
| | 2510 Reserve Fund | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |
| | <i>Subtotal 2500 Reserve Fund</i> | <i>\$ —</i> | <i>\$ —</i> | <i>\$ 750,000</i> | <i>\$ 750,000</i> | <i>\$ —</i> | <i>— %</i> |
| | 2600 Facilities | \$ 11,095,414 | \$ 11,140,933 | \$ 12,153,365 | \$ 12,669,307 | \$ 515,942 | 4.25 % |
| Total Shared Expenses | | \$ 56,609,045 | \$ 58,783,861 | \$ 64,540,037 | \$ 64,190,302 | \$ (349,735) | (0.54) % |
| <u>Program 3000: Public Works</u> | | | | | | | |
| | 3100-3500 DPW Personal Services | \$ 4,165,247 | \$ 4,746,049 | \$ 4,695,200 | \$ 4,877,999 | \$ 182,799 | 3.89 % |
| | 3100-3500 DPW Expenses | \$ 5,309,752 | \$ 5,749,259 | \$ 6,832,943 | \$ 7,090,146 | \$ 257,203 | 3.76 % |
| Total Public Works | | \$ 9,474,999 | \$ 10,495,308 | \$ 11,528,143 | \$ 11,968,145 | \$ 440,002 | 3.82 % |

Section I Budget Overview

Town of Lexington, MA

| Program Summary | | A | B | C | D | E | F |
|---|-----------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------|-----------------|
| Element | Description | FY2020 | FY2021 | FY2022 | FY2023 | (D-C) | (E/C) |
| | | Actual | Actual | Restated | Recommended | Change \$ | Change % |
| <u>Program 4000: Public Safety</u> | | | | | | | |
| 4100 | Law Enforcement Personal Services | \$ 6,753,696 | \$ 7,002,993 | \$ 7,118,998 | \$ 7,169,307 | \$ 50,309 | 0.71 % |
| 4100 | Law Enforcement Expenses | \$ 901,475 | \$ 933,689 | \$ 1,025,149 | \$ 1,096,070 | \$ 70,921 | 6.92 % |
| <i>Subtotal 4100 Law Enforcement</i> | | <i>\$ 7,655,171</i> | <i>\$ 7,936,682</i> | <i>\$ 8,144,147</i> | <i>\$ 8,265,377</i> | <i>\$ 121,230</i> | <i>1.49 %</i> |
| 4200 | Fire Personal Services | \$ 6,645,325 | \$ 6,987,078 | \$ 7,247,201 | \$ 7,269,665 | \$ 22,464 | 0.31 % |
| 4200 | Fire Expenses | \$ 605,006 | \$ 630,691 | \$ 722,109 | \$ 798,803 | \$ 76,694 | 10.62 % |
| <i>Subtotal 4200 EMS/Fire</i> | | <i>\$ 7,250,331</i> | <i>\$ 7,617,769</i> | <i>\$ 7,969,310</i> | <i>\$ 8,068,468</i> | <i>\$ 99,158</i> | <i>1.24 %</i> |
| Total Public Safety | | \$ 14,905,502 | \$ 15,554,451 | \$ 16,113,457 | \$ 16,333,845 | \$ 220,388 | 1.37 % |
| <u>Program 5000: Culture & Recreation</u> | | | | | | | |
| 5100 | Library Personal Services | \$ 2,265,546 | \$ 2,162,069 | \$ 2,525,607 | \$ 2,637,708 | \$ 112,101 | 4.44 % |
| 5100 | Library Expenses | \$ 470,920 | \$ 563,057 | \$ 630,741 | \$ 698,511 | \$ 67,770 | 10.74 % |
| Total Culture & Recreation | | \$ 2,736,466 | \$ 2,725,127 | \$ 3,156,348 | \$ 3,336,219 | \$ 179,871 | 5.70 % |
| <u>Program 6000: Human Services</u> | | | | | | | |
| 6000 | Human Services Personal Services | \$ 631,965 | \$ 636,367 | \$ 690,474 | \$ 717,650 | \$ 27,176 | 3.94 % |
| 6000 | Human Services Expenses | \$ 610,696 | \$ 657,109 | \$ 586,991 | \$ 809,771 | \$ 222,780 | 37.95 % |
| Total Human Services | | \$ 1,242,662 | \$ 1,293,475 | \$ 1,277,465 | \$ 1,527,421 | \$ 249,956 | 19.57 % |
| <u>Program 7000: Land Use, Health and Development (LUHD) Department</u> | | | | | | | |
| 7100-7400 | LUHD Dept. Personal Services | \$ 1,828,944 | \$ 1,903,721 | \$ 2,171,252 | \$ 2,338,226 | \$ 166,974 | 7.69 % |
| 7100-7400 | LUHD Dept. Expenses | \$ 326,499 | \$ 341,037 | \$ 522,737 | \$ 454,387 | \$ (68,350) | (13.08) % |
| Total Land Use, Health & Development Dept. | | \$ 2,155,443 | \$ 2,244,758 | \$ 2,693,989 | \$ 2,792,613 | \$ 98,624 | 3.66 % |

Section I Budget Overview

| Program Summary | | A | B | C | D | E | F |
|--|---|----------------------|----------------------|----------------------|----------------------|---------------------|-----------------|
| | | FY2020 | FY2021 | FY2022 | FY2023 | (D-C) | (E/C) |
| Element | Description | Actual | Actual | Restated | Recommended | Change \$ | Change % |
| <u>Program 8000: General Government</u> | | | | | | | |
| 8110 | Select Board Personal Services | \$ 118,280 | \$ 128,668 | \$ 135,782 | \$ 145,163 | \$ 9,381 | 6.91 % |
| 8110 | Select Board Expenses | \$ 86,348 | \$ 77,136 | \$ 112,838 | \$ 134,838 | \$ 22,000 | 19.50 % |
| 8120 | Legal | \$ 241,617 | \$ 399,245 | \$ 395,000 | \$ 395,000 | \$ — | — % |
| 8130 | Town Report | \$ 11,004 | \$ 10,445 | \$ 13,688 | \$ 13,688 | \$ — | — % |
| 8140 | PEG Access | \$ 611,477 | \$ 597,702 | \$ 602,500 | \$ 610,113 | \$ 7,613 | 1.26 % |
| <i>Subtotal 8100 Select Board</i> | | <i>\$ 1,068,726</i> | <i>\$ 1,213,197</i> | <i>\$ 1,259,808</i> | <i>\$ 1,298,802</i> | <i>\$ 38,994</i> | <i>3.10 %</i> |
| 8210-8220 | Town Manager Personal Services | \$ 714,544 | \$ 826,080 | \$ 932,679 | \$ 956,568 | \$ 23,889 | 2.56 % |
| 8210-8220 | Town Manager Expenses | \$ 162,050 | \$ 176,481 | \$ 283,035 | \$ 289,185 | \$ 6,150 | 2.17 % |
| 8230 | Salary Transfer Account* (MGL Ch.40, Sec 13D) | \$ 477,222 | \$ 408,732 | \$ 313,529 | \$ 826,422 | \$ 512,893 | 163.59 % |
| <i>Subtotal 8200 Town Manager</i> | | <i>\$ 1,353,816</i> | <i>\$ 1,411,294</i> | <i>\$ 1,529,243</i> | <i>\$ 2,072,175</i> | <i>\$ 542,932</i> | <i>35.50 %</i> |
| 8310 | Financial Committees | \$ 4,299 | \$ 6,329 | \$ 8,262 | \$ 8,397 | \$ 135 | 1.63 % |
| 8320 | Misc. Boards and Committees | \$ 103 | \$ 6,005 | \$ 10,500 | \$ 10,500 | \$ — | — % |
| 8330 | Town Celebrations Committee | \$ 5,700 | \$ 12,557 | \$ 46,471 | \$ 51,263 | \$ 4,792 | 10.3 % |
| <i>Subtotal 8300 Town Committees</i> | | <i>\$ 10,102</i> | <i>\$ 24,890</i> | <i>\$ 65,233</i> | <i>\$ 70,160</i> | <i>\$ 4,927</i> | <i>7.6 %</i> |
| 8400 | Finance Personal Services | \$ 1,328,134 | \$ 1,393,047 | \$ 1,510,973 | \$ 1,549,316 | \$ 38,343 | 2.54 % |
| 8400 | Finance Expenses | \$ 369,723 | \$ 371,841 | \$ 493,635 | \$ 498,835 | \$ 5,200 | 1.05 % |
| <i>Subtotal 8400 Finance</i> | | <i>\$ 1,697,857</i> | <i>\$ 1,764,887</i> | <i>\$ 2,004,608</i> | <i>\$ 2,048,151</i> | <i>\$ 43,543</i> | <i>2.17 %</i> |
| 8500 | Town Clerk Personal Services | \$ 391,457 | \$ 427,766 | \$ 404,181 | \$ 470,247 | \$ 66,066 | 16.35 % |
| 8500 | Town Clerk Expenses | \$ 93,622 | \$ 94,479 | \$ 98,250 | \$ 157,050 | \$ 58,800 | 59.85 % |
| <i>Subtotal 8500 Town Clerk</i> | | <i>\$ 485,079</i> | <i>\$ 522,245</i> | <i>\$ 502,431</i> | <i>\$ 627,297</i> | <i>\$ 124,866</i> | <i>24.85 %</i> |
| 8600 | IT Personal Services | \$ 860,292 | \$ 836,010 | \$ 894,792 | \$ 867,192 | \$ (27,600) | (3.08) % |
| 8600 | IT Expenses | \$ 1,075,548 | \$ 1,393,367 | \$ 1,894,500 | \$ 1,860,535 | \$ (33,965) | (1.79) % |
| <i>Subtotal 8600 Innovation & Technology</i> | | <i>\$ 1,935,840</i> | <i>\$ 2,229,377</i> | <i>\$ 2,789,292</i> | <i>\$ 2,727,727</i> | <i>\$ (61,565)</i> | <i>(2.21) %</i> |
| Total General Government | | \$ 6,551,421 | \$ 7,165,890 | \$ 8,150,615 | \$ 8,844,311 | \$ 693,696 | 8.51 % |
| Total Municipal | | \$ 37,066,492 | \$ 39,479,010 | \$ 42,920,017 | \$ 44,802,554 | \$ 1,882,537 | 4.39 % |
| <u>Operating Department Summary</u> | | | | | | | |
| | Education Operating | \$ 112,079,293 | \$ 118,137,958 | \$ 126,507,019 | \$ 131,478,345 | \$ 4,971,326 | 3.93 % |
| | Shared Expenses | \$ 56,609,045 | \$ 58,783,861 | \$ 64,540,037 | \$ 64,190,302 | \$ (349,735) | (0.54) % |
| | Municipal Operating | \$ 37,066,492 | \$ 39,479,010 | \$ 42,920,017 | \$ 44,802,554 | \$ 1,882,537 | 4.39 % |
| | | \$ 205,754,830 | \$ 216,400,829 | \$ 233,967,073 | \$ 240,471,201 | \$ 6,504,128 | 2.78 % |

Section I Budget Overview

| Program Summary | | A | B | C | D | E | F |
|--|---|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|----------------|
| | | FY2020 | FY2021 | FY2022 | FY2023 | (D-C) | (E/C) |
| Element | Description | Actual | Actual | Restated | Recommended | Change \$ | Change % |
| Capital | | | | | | | |
| | Capital Requests (Cash-GF, Prior Bond Auth., BAN Premiums) | \$ 5,275,858 | \$ 4,775,531 | \$ 6,806,505 | \$ 10,289,906 | \$ 3,483,401 | 51.18 % |
| | Non-General Fund Capital Requests | \$ 40,750 | \$ 193,504 | \$ 464,126 | \$ 311,824 | \$ (152,303) | (32.81) % |
| | Building Envelope & Systems Set-Aside | \$ 203,865 | \$ 208,962 | \$ 214,186 | \$ 219,540 | \$ 5,354 | 2.50 % |
| | Streets Set-Aside | \$ 2,616,801 | \$ 2,634,022 | \$ 2,651,674 | \$ 2,669,767 | \$ 18,093 | 0.68 % |
| Total Capital | | \$ 8,137,274 | \$ 7,812,019 | \$ 10,136,491 | \$ 13,491,037 | \$ 3,354,546 | 33.09 % |
| Other | | | | | | | |
| | Unallocated | \$ — | \$ — | \$ — | \$ 750,040 | \$ 750,040 | — % |
| | Set-Aside for Unanticipated Current FY Needs | \$ — | \$ — | \$ — | \$ 200,000 | \$ 200,000 | — % |
| | General Fund Support for Recreation & Community Programs (Transfer to Article 5, ATM) | \$ 208,859 | \$ 618,916 | \$ 509,215 | \$ 242,790 | \$ (266,425) | (52.32) % |
| | Tax Levy Dedicated to Capital Stabilization Fund | \$ — | \$ — | \$ 57,138 | \$ 57,138 | \$ — | — % |
| | Allocated to Capital Stabilization Fund | \$ 2,269,456 | \$ — | \$ 3,730,836 | \$ 3,085,296 | \$ (645,540) | (17.3) % |
| | Transfer to the Transportation Demand Management (TDM) Stab. Fund from Tax Levy | \$ — | \$ — | \$ 200,000 | \$ — | \$ (200,000) | (100.0) % |
| | Senior Service Program | \$ — | \$ — | \$ 15,000 | \$ 15,000 | \$ — | — % |
| | Climate Action Plan | \$ — | \$ — | \$ — | \$ 50,570 | \$ 50,570 | — % |
| | Vision for Lexington Townwide Survey | \$ — | \$ — | \$ 50,000 | \$ — | \$ (50,000) | (100.0) % |
| | OPEB Trust Fund** | \$ 1,879,721 | \$ 750,000 | \$ 1,879,721 | \$ 1,929,721 | \$ 50,000 | 2.66 % |
| | Warrant Articles | \$ — | \$ — | \$ 100,000 | \$ 75,000 | \$ (25,000) | (25.0) % |
| Total Other Articles | | \$ 4,358,036 | \$ 1,368,916 | \$ 6,541,910 | \$ 6,405,555 | \$ (136,355) | (2.08)% |
| General Fund Total | | \$ 218,250,140 | \$ 225,581,764 | \$ 250,645,474 | \$ 260,367,793 | \$ 9,722,319 | 3.88 % |
| *Line-Items marked with an asterisk (*) will be presented at Town Meeting as Continuing Balance accounts. | | | | | | | |
| **Reflects the OPEB funding from General Fund sources; additional amounts will be appropriated from the Water and Wastewater Enterprise funds, as detailed in those budget sections. | | | | | | | |
| Enterprise Funds | | | | | | | |
| | 3600 Water Enterprise | \$ 10,584,063 | \$ 11,402,688 | \$ 12,624,466 | \$ 12,707,237 | \$ 82,771 | 0.66 % |
| | 3700 Sewer Enterprise | \$ 10,084,043 | \$ 10,448,199 | \$ 11,203,270 | \$ 11,798,658 | \$ 595,388 | 5.31 % |
| | 5200 Recreation Enterprise | \$ 2,563,760 | \$ 2,066,677 | \$ 2,589,936 | \$ 3,425,097 | \$ 835,161 | 32.25 % |
| | Cash Capital - Enterprise | \$ 1,600,000 | \$ 430,000 | \$ 1,317,000 | \$ 4,180,000 | \$ 2,863,000 | 217.39 % |
| Total Enterprise Funds (Oper. Exp. ONLY) | | \$ 24,831,867 | \$ 24,347,564 | \$ 27,734,672 | \$ 32,110,992 | \$ 4,376,320 | 15.78 % |

Section I Budget Overview

Town of Lexington, MA

| Program Summary | | A | B | C | D | E | F |
|---|--|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-------------------|
| Element | Description | FY2020 Actual | FY2021 Actual | FY2022 Restated | FY2023 Recommended | (D-C) Change \$ | (E/C) Change % |
| Revolving Funds | | | | | | | |
| 1100 | School Bus Transportation | \$ 1,149,283 | \$ 207,782 | \$ 1,150,000 | \$ 1,150,000 | \$ — | — % |
| 2600 | Building Rental Revolving Fund | \$ 445,126 | \$ 8,458 | \$ 569,394 | \$ 585,226 | \$ 15,832 | 2.78 % |
| 3100 | Regional Cache - Hartwell Avenue | \$ 10,550 | \$ 1,883 | \$ 50,000 | \$ 50,000 | \$ — | — % |
| 3320 | Tree (DPW-Forestry) | \$ 887 | \$ 23,450 | \$ 70,000 | \$ 75,000 | \$ 5,000 | 7.14 % |
| 3330 | Burial Container (DPW-Cemetery) | \$ 29,690 | \$ 21,815 | \$ 50,000 | \$ 60,000 | \$ 10,000 | 20.00 % |
| 3420 | Compost Operations (DPW-Recycling) | \$ 824,839 | \$ 889,408 | \$ 786,155 | \$ 866,495 | \$ 80,340 | 10.22 % |
| 3420 | MHHP Operations | \$ 133,954 | \$ 255,449 | \$ 260,000 | \$ 260,000 | \$ — | — % |
| 6120 | Senior Services | \$ 38,157 | \$ 6,469 | \$ 75,000 | \$ 75,000 | \$ — | — % |
| 7110 | Residential Engineering Review | \$ — | \$ — | \$ 57,600 | \$ 57,600 | \$ — | — % |
| 7140 | Health Programs | \$ 45,719 | \$ 27,352 | \$ 45,000 | \$ 45,000 | \$ — | — % |
| 7140 | Lab Animal Permits | \$ — | \$ — | \$ 40,000 | \$ 40,000 | \$ — | — % |
| 7320 | Tourism/Liberty Ride | \$ 139,510 | \$ — | \$ 104,000 | \$ 104,000 | \$ — | — % |
| 7340 | Visitors Center | \$ 44,359 | \$ 59,470 | \$ 246,761 | \$ 259,465 | \$ 12,704 | 5.15 % |
| Total Revolving Funds | | \$ 2,862,075 | \$ 1,501,535 | \$ 3,503,910 | \$ 3,627,786 | \$ 123,876 | 3.54 % |
| Community Preservation Act (CPA) | | | | | | | |
| | CPA Cash Capital | \$ 2,283,367 | \$ 2,233,495 | \$ 585,000 | \$ 11,322,556 | \$ 10,737,556 | 1,835 % |
| | CPA Debt Service | \$ 3,094,680 | \$ 3,968,594 | \$ 2,989,550 | \$ 1,935,635 | \$ (1,053,915) | (35.25) % |
| | CPA Other (Projects & Admin.) | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ — | — % |
| Total CPA | | \$ 5,528,047 | \$ 6,352,089 | \$ 3,724,550 | \$ 13,408,191 | \$ 9,683,641 | 259.99 % |
| Grants | | | | | | | |
| | Grants & Subsidies (MBTA & Elder Affairs) | \$ 143,801 | \$ 156,074 | \$ 151,007 | \$ 149,764 | \$ (1,243) | (0.82) % |
| Total Grants | | \$ 143,801 | \$ 156,074 | \$ 151,007 | \$ 149,764 | \$ (1,243) | (0.82) % |
| Exempt Debt | | | | | | | |
| | Municipal | \$ 2,061,354 | \$ 2,268,827 | \$ 2,228,673 | \$ 2,117,251 | \$ (111,422) | (5.00) % |
| | School | \$ 14,266,900 | \$ 15,016,003 | \$ 14,519,318 | \$ 13,863,051 | \$ (656,267) | (4.52) % |
| | Less Capital Stabilization Fund Mitigation | \$ (5,200,000) | \$ (4,600,000) | \$ (2,800,000) | \$ (800,000) | \$ 2,000,000 | (71.43) % |
| Total Exempt Debt | | \$ 11,128,254 | \$ 12,684,830 | \$ 13,947,991 | \$ 15,180,302 | \$ 1,232,311 | 8.84 % |
| Non-General Fund Total | | \$ 44,494,044 | \$ 45,042,093 | \$ 49,062,130 | \$ 64,477,035 | \$ 15,414,905 | 31.42 % |
| Combined Budget Total | | \$ 262,744,184 | \$ 270,623,856 | \$ 299,707,604 | \$ 324,844,828 | \$ 25,137,224 | 8.39 % |

Section I Budget Overview

Town of Lexington, MA

| Program Summary | | A | B | C | D | E | F |
|-----------------------|--------------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-------------------|
| Element | Description | FY2020 Actual | FY2021 Actual | FY2022 Restated | FY2023 Recommended | (D-C) Change \$ | (E/C) Change % |
| Reconciliation | | | | | | | |
| | Education | \$ 112,079,293 | \$ 118,137,958 | \$ 126,507,019 | \$ 131,478,345 | \$ 4,971,326 | 3.93 % |
| | Shared Expenses | \$ 56,609,045 | \$ 58,783,861 | \$ 64,540,037 | \$ 64,190,302 | \$ (349,735) | (0.54) % |
| | Municipal | \$ 37,066,492 | \$ 39,479,010 | \$ 42,920,017 | \$ 44,802,554 | \$ 1,882,537 | 4.39 % |
| | Capital | \$ 8,137,274 | \$ 7,812,019 | \$ 10,136,491 | \$ 13,491,037 | \$ 3,354,546 | 33.09 % |
| | Other | \$ 4,358,036 | \$ 1,368,916 | \$ 6,541,910 | \$ 6,405,555 | \$ (136,355) | (2.08) % |
| | Enterprise | \$ 24,831,867 | \$ 24,347,564 | \$ 27,734,672 | \$ 32,110,992 | \$ 4,376,320 | 15.78 % |
| | Revolving Funds & Grants | \$ 3,005,876 | \$ 1,657,609 | \$ 3,654,917 | \$ 3,777,550 | \$ 122,633 | 3.36 % |
| | CPA | \$ 5,528,047 | \$ 6,352,089 | \$ 3,724,550 | \$ 13,408,191 | \$ 9,683,641 | 259.99 % |
| | Exempt Debt | \$ 11,128,254 | \$ 12,684,830 | \$ 13,947,991 | \$ 15,180,302 | \$ 1,232,311 | 8.84 % |
| Totals | | \$ 262,744,184 | \$ 270,623,856 | \$ 299,707,604 | \$ 324,844,828 | \$ 25,137,224 | 8.39 % |

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Section II: Revenues

This section includes detailed information about FY2023 Projected Revenues. It includes:

- General Fund Revenue Description II-2

The summary below presents Total General Fund Operating Revenues and Net General Fund Revenues. General Fund Operating Revenues include all revenues projected as available for use in FY2023.

- Total General Fund Operating Revenues are from annually recurring and non-recurring sources, including transfers from special revenue funds, Specialized Stabilization Funds, and the Health Claims Trust Fund.
- Net General Fund Revenues are Total General Fund Revenues less revenues recommended to be set-aside to fund designated expenses.

In FY2023, Total General Fund Operating Revenues are projected to increase by approximately \$9.72 million, or 3.9%. Net General Fund Revenues, those available to support school and municipal operating budgets, are projected to increase by \$6.50 million, or 2.8%.

| General Fund Revenue Summary | FY2020 Actual | FY2021 Actual | FY2022 Recap | FY2023 Projected | FY2022-23 Change | |
|--|----------------------|----------------------|----------------------|----------------------|---------------------|--------------|
| | | | | | \$ | % |
| Property Tax Levy (Table 1) | \$ 184,821,514 | \$ 194,329,878 | \$ 204,171,602 | \$ 212,056,053 | \$ 7,884,450 | 3.86% |
| Tax Levy Dedicated to Capital Stabilization Fund | \$ — | \$ — | \$ 57,138 | \$ 57,138 | \$ — | —% |
| State Aid (Table 2) | \$ 16,255,912 | \$ 16,334,701 | \$ 16,492,260 | \$ 16,784,662 | \$ 292,402 | 1.77% |
| Local Receipts (Table 3) | \$ 16,824,395 | \$ 15,358,065 | \$ 12,627,933 | \$ 13,488,108 | \$ 860,175 | 6.81% |
| Available Funds (Table 4) | \$ 14,264,142 | \$ 11,805,351 | \$ 17,825,379 | \$ 18,507,776 | \$ 682,397 | 3.83% |
| Revenue Offsets (Table 5) | \$ (1,875,209) | \$ (1,773,854) | \$ (1,961,196) | \$ (2,331,557) | \$ (370,361) | 18.88% |
| Enterprise Receipts (Table 6) | \$ 1,696,348 | \$ 1,749,435 | \$ 1,432,356 | \$ 1,805,613 | \$ 373,257 | 26.06% |
| Total General Fund Operating Revenues | \$231,987,101 | \$237,803,577 | \$250,645,473 | \$260,367,794 | \$ 9,722,321 | 3.88% |
| Less - Revenues Set-Aside for Designated Purposes | \$ 12,495,310 | \$ 9,180,935 | \$ 16,678,401 | \$ 19,896,592 | \$ 3,218,191 | 19.30% |
| Net General Fund Revenues | \$219,491,791 | \$228,622,642 | \$233,967,072 | \$240,471,202 | \$ 6,504,130 | 2.78% |

Detailed Description:

Property Tax Levy: The FY2023 property tax levy is projected to increase approximately \$7.88 million, or 3.9%. The projected levy is a function of the FY2022 levy limit increased by 2.5% per Proposition 2½, plus an increment for new growth. FY2023 new growth will be a function of construction activity for the period July 1, 2021 to June 30, 2022. FY2023 new growth is estimated at \$2,750,000 based on a review of historical data on new growth.

Tax Levy Dedicated to Capital Stabilization Fund: In Fall 2021 the Town Manager proposed a new fiscal guideline, a Capital Stabilization Framework, to prepare for future capital projects. Beginning in FY2022, new levy growth generated from specified commercial and industrial development will be dedicated to the Capital Stabilization Fund (CSF) rather than becoming general revenue for the town’s operating budget. Projects include those with a Preliminary Site Development and Use Plan (PSDUP) approved by Town Meeting, or those eligible for development due to new zoning changes on Hartwell Ave. This framework will reserve levy capacity to absorb a sudden increase in debt service for large capital projects such as a high school construction project in future years. The set-aside funds can also be applied in future years to mitigate exempt debt service created by those capital projects. A list of properties currently subject to this guideline is available in Table 1A.

State Aid: Due to the pandemic, Local Aid was largely level-funded in FY2021, with minimal increases in FY2022, which is projected to continue in FY2023 and is projecting an overall increase of 1.77%. The State is still developing its FY2023 budget; the Governor's initial FY2023 State aid numbers were released in January 2022 and are reflected in This budget. Final figure are likely to be known in June 2022 when the Legislature adopts, and the Governor signs, the FY2023 State budget.

Local Receipts: FY2023 projections for each category of receipt are based on the history of actual collections and projections of 3 and 5 year historical averages, with some adjustments to specific categories due to the pandemic, such as Other Excise - Meals and Hotel/Motel. FY2023 local receipts are estimated to increase by approximately \$860,175 or 6.81% over FY2022 estimates, which were also adjusted for the pandemic. The main contributors to this growth are a partial rebound in Other Excise, and the recognition of higher ongoing revenues for permits, particularly building permits.

Available Funds: Available Funds are projected to remain relatively stable, with a net increase of \$682,397, or 3.83%. The increase is due to the availability of an additional \$1.75 million in Free Cash in FY2023. This is primarily because \$2 million of Free Cash was set-aside and not utilized in the FY2022 budget to cover pandemic-related revenue decreases or expense increases; this unallocated Free Cash is now being utilized in the FY2023 budget. This increase is partially offset by reducing the use of other one-time revenues in FY2022 that will not recur in FY2023. This includes \$500,000 from the Special Education Stabilization Fund and \$828,237 from the Parking Meter Fund. The balance of the Parking Meter Fund has decreased significantly in the last two years due to the lack of parking meter enforcement and less traffic during the pandemic, and the utilization of the Parking Fund for capital projects authorized for FY2022.

Consistent with prior years, FY2023 Available Funds includes a transfer of \$141,000 from the Transportation Demand Management Stabilization Fund to finance the Lexpress service and the Town's contribution to the REV Shuttle, and a \$750,000 transfer from the Health Claims Trust Fund to fund the Town's Other Post Employment Benefit Fund.

Revenue Offsets: Revenue Offsets are projected to increase by approximately \$370,361 or 18.88%. Revenue Offsets represent the set-aside of a portion of projected revenues legally required for particular purposes including:

- (1) the component of state aid (Public Library aid reimbursement) that is distributed as Cherry Sheet aid, but, in fact, is a categorical grant that is not available to support General Fund operations;
- (2) cherry sheet assessments - estimated charges to be levied by the Commonwealth to cover the costs of state and regional services provided to the Town, based on updated projections issued alongside the Governor's budget;
- (3) the Assessor's Overlay account which covers the cost of abatements and exemptions granted to property taxpayers; and
- (4) potential snow and ice deficits.

The FY2023 increase in total Revenue Offsets is driven by the set-aside of \$400,000 in estimated FY2023 revenue to cover a potential snow and ice deficit at the end of FY2022. For FY2022, \$400,000 was set-aside, but was ultimately not needed since actual FY2021 snow and ice removal expenses fell within their budgeted levels.

Enterprise Receipts: This category of revenue represents transfers from the Water, Sewer and Recreation Enterprise Funds to the General Fund to cover General Fund expenditures that support the operations of the water, sewer and recreation departments. During FY2022, Recreation indirect charges were not assessed due to the impact of the pandemic on enterprise revenues. The Recreation indirect charge has been resumed for FY2023, and will be reevaluated in future budget cycles. The Water and Sewer transfers are increasing by 6.0%, as supported by a detailed indirect analysis completed by Finance. As a result of these combined adjustments, overall Enterprise Receipts are increasing by 26.1%, or \$373,257.

Section II Revenues

| Revenue Summary | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|
| | FY2020 Actual | FY2021 Actual | FY2022 Recap | FY2023 Projected | FY2022-23 Change | |
| | | | | | \$ | % |
| Table 1: Property Tax Levy | | | | | | |
| Tax Levy | \$ 176,907,122 | \$ 184,938,303 | \$ 194,415,313 | \$ 204,199,633 | \$ 9,784,320 | 5.03% |
| Prop. 2.5% | \$ 4,422,678 | \$ 4,623,458 | \$ 4,860,383 | \$ 5,106,419 | \$ 246,036 | 5.06% |
| New Growth | \$ 3,608,503 | \$ 4,853,553 | \$ 4,923,938 | \$ 2,750,000 | \$ (2,173,938) | (44.15)% |
| Override/Excess Levy Capacity | \$ (116,789) | \$ (85,435) | \$ (28,031) | NA | | |
| Subtotal | \$ 184,821,514 | \$ 194,329,878 | \$ 204,171,602 | \$ 212,056,053 | \$ 7,884,450 | 3.86% |
| Table 1A: Property Tax Levy Dedicated to the Capital Stabilization Fund | | | | | | |
| 1050 Waltham St. | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| 186 Bedford St. | \$ — | \$ — | \$ 21,451 | \$ 21,451 | \$ — | —% |
| 55 Watertown St. | \$ — | \$ — | \$ 35,687 | \$ 35,687 | \$ — | —% |
| Subtotal | \$ — | \$ — | \$ 57,138 | \$ 57,138 | \$ — | —% |
| Table 2: State Aid | | | | | | |
| Chapter 70 | \$ 14,456,349 | \$ 14,438,034 | \$ 14,647,494 | \$ 14,852,994 | \$ 205,500 | 1.40% |
| Charter School Reimbursement | \$ 2,446 | \$ 80,755 | \$ 4,690 | \$ 54,959 | \$ 50,269 | 1,071.83% |
| Unrestricted General Government Aid | \$ 1,627,400 | \$ 1,627,400 | \$ 1,684,359 | \$ 1,729,837 | \$ 45,478 | 2.70% |
| Veterans' Benefits & Exemptions | \$ 117,802 | \$ 124,689 | \$ 95,590 | \$ 92,035 | \$ (3,555) | (3.72)% |
| Offsets (Library) | \$ 51,915 | \$ 63,823 | \$ 60,127 | \$ 54,837 | \$ (5,290) | (8.80)% |
| Subtotal | \$ 16,255,912 | \$ 16,334,701 | \$ 16,492,260 | \$ 16,784,662 | \$ 292,402 | 1.77% |
| Table 3: Local Receipts | | | | | | |
| Motor Vehicle Excise Tax | \$ 5,383,364 | \$ 5,335,129 | \$ 5,315,294 | \$ 5,455,000 | \$ 139,706 | 2.63% |
| Other Excise | \$ 1,503,388 | \$ 813,643 | \$ 774,100 | \$ 1,043,500 | \$ 269,400 | 34.80% |
| Penalties & Interest | \$ 564,274 | \$ 445,590 | \$ 341,500 | \$ 341,500 | \$ — | —% |
| PILOT's | \$ 666,153 | \$ 660,966 | \$ 698,000 | \$ 715,000 | \$ 17,000 | 2.44% |
| Rentals | \$ 431,498 | \$ 473,201 | \$ 394,850 | \$ 361,850 | \$ (33,000) | (8.36)% |
| Departmental-Schools | \$ 331,482 | \$ 337,909 | \$ 243,500 | \$ 244,500 | \$ 1,000 | 0.41% |
| Departmental-Municipal | \$ 2,697,925 | \$ 2,398,261 | \$ 2,590,025 | \$ 2,629,525 | \$ 39,500 | 1.53% |
| Licenses & Permits | \$ 3,021,668 | \$ 3,542,914 | \$ 1,906,600 | \$ 2,335,800 | \$ 429,200 | 22.51% |
| Special Assessments | \$ 19,781 | \$ 25,644 | \$ 13,064 | \$ 10,433 | \$ (2,630) | (20.13)% |
| Fines & Forfeits | \$ 152,654 | \$ 59,820 | \$ 101,000 | \$ 101,000 | \$ — | —% |
| Investment Income | \$ 1,297,265 | \$ 277,170 | \$ 250,000 | \$ 250,000 | \$ — | —% |
| Miscellaneous Non-Recurring | \$ 754,943 | \$ 987,817 | \$ — | \$ — | \$ — | —% |
| Subtotal | \$ 16,824,395 | \$ 15,358,065 | \$ 12,627,933 | \$ 13,488,108 | \$ 860,175 | 1.41% |
| Table 4: Available Funds | | | | | | |
| Parking Fund | \$ 425,750 | \$ 562,000 | \$ 828,237 | \$ — | \$ (828,237) | (100.00)% |
| Cemetery Sale of Lots Fund | \$ 64,380 | \$ 40,480 | \$ 51,933 | \$ 16,125 | \$ (35,808) | (68.95)% |
| Free Cash* | \$ 12,201,094 | \$ 9,468,456 | \$ 14,638,059 | \$ 16,384,329 | \$ 1,746,270 | 11.93% |
| Health Claims Trust Fund | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ — | —% |
| Transportation Demand Management Stab. Fund | \$ 141,000 | \$ 141,000 | \$ 141,000 | \$ 141,000 | \$ — | —% |
| Traffic Mitigation Stabilization Fund | \$ — | \$ — | \$ — | \$ 240,000 | \$ 240,000 | —% |
| Transportation Management Overlay District (TMOD) Stabilization Fund | \$ — | \$ — | \$ — | \$ 65,000 | \$ 65,000 | —% |
| Center Improvement District Stabilization Fund | \$ 27,000 | \$ — | \$ — | \$ — | \$ — | —% |
| PEG Access Special Revenue Fund | \$ 638,918 | \$ 620,711 | \$ 629,287 | \$ 637,576 | \$ 8,289 | 1.32% |
| Transportation Network Company (TNC) Special Revenue Fund | \$ — | \$ 16,504 | \$ 20,889 | \$ 6,824 | \$ (14,066) | (67.33)% |
| Betterments Fund | \$ 16,000 | \$ 6,200 | \$ — | \$ — | \$ — | —% |
| Visitors Center Stabilization Fund | \$ — | \$ 200,000 | \$ — | \$ — | \$ — | — |
| Special Education Stabilization Fund | \$ — | \$ — | \$ 500,000 | \$ — | \$ (500,000) | (100.00)% |
| Balances from Prior Yr. Capital Articles | \$ — | \$ — | \$ 155,974 | \$ 266,923 | \$ 110,949 | —% |
| Use of BAN Premiums | \$ — | \$ — | \$ 110,000 | \$ — | \$ (110,000) | (100.00)% |
| Subtotal | \$ 14,264,142 | \$ 11,805,351 | \$ 17,825,379 | \$ 18,507,776 | \$ 682,397 | 3.83% |

| Cherry Sheet Assessments | \$ (923,294) | \$ (960,031) | \$ (1,001,069) | \$ (1,126,720) | \$ (125,651) | 12.55% |
|---|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|---------------|
| Cherry Sheet Offsets - Public Libraries | \$ (51,915) | \$ (63,823) | \$ (60,127) | \$ (54,837) | \$ 5,290 | (8.80)% |
| Overlay (abatements) | \$ (900,000) | \$ (750,000) | \$ (900,000) | \$ (750,000) | \$ 150,000 | (16.67)% |
| Snow Deficit | \$ — | \$ — | \$ — | \$ (400,000) | \$ (400,000) | — |
| Subtotal | \$ (1,875,209) | \$ (1,773,854) | \$ (1,961,196) | \$ (2,331,557) | \$ (370,361) | 18.88% |

| Water | \$ 894,573 | \$ 930,001 | \$ 918,245 | \$ 977,093 | \$ 58,848 | 6.41% |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------|
| Wastewater (Sewer) | \$ 532,094 | \$ 541,663 | \$ 514,111 | \$ 542,416 | \$ 28,305 | 5.51% |
| Recreation & Community Programs | \$ 269,681 | \$ 277,771 | \$ — | \$ 286,104 | \$ 286,104 | —% |
| Subtotal | \$ 1,696,348 | \$ 1,749,435 | \$ 1,432,356 | \$ 1,805,613 | \$ 373,257 | 26.06% |

| | | | | | | |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|
| Gross General Fund Revenues | \$ 231,987,101 | \$ 237,803,577 | \$ 250,645,473 | \$ 260,367,794 | \$ 9,722,321 | 3.88% |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|

| | | | | | | |
|---|----------------------|---------------------|----------------------|----------------------|---------------------|---------------|
| Revenues Set Aside for Designated Expenses | \$ 12,495,310 | \$ 9,180,935 | \$ 16,678,401 | \$ 19,896,592 | \$ 3,218,191 | 19.30% |
|---|----------------------|---------------------|----------------------|----------------------|---------------------|---------------|

| | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|
| Net General Fund Revenues Available for Appropriation | \$ 219,491,791 | \$ 228,622,642 | \$ 233,967,072 | \$ 240,471,202 | \$ 6,504,130 | 2.78% |
|--|-----------------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|

Revenues Set Aside for Designated Expenses: This represents components of Gross General Fund Revenues that are set aside for designated purposes. The proposed purposes are shown in the table below.

| | | Financing Sources | | | Total | Notes |
|----|---|---------------------|----------------------|-------------------|----------------------|--|
| | | Tax Levy | Free Cash | Other | | |
| 1 | Set-Aside for Unanticipated Current Fiscal Year Needs | | \$ 200,000 | | \$ 200,000 | Reserved for appropriation at the 2022 annual town meeting to fund supplemental appropriations to the FY2022 (current year) budget. |
| 2 | Other Post-Employment Benefits (OPEB) | \$ 750,000 | \$ 1,179,721 | | \$ 1,929,721 | \$750,000 from the tax levy made available by an equal transfer from the Health Insurance Claims Trust Fund to fund FY2023 Health Insurance. |
| 3 | Unallocated | \$ 4,281 | \$ 745,759 | | \$ 750,040 | Set-aside for as yet to be identified FY2023 purposes. |
| 4 | Cash Capital | | \$ 8,552,983 | \$ 548,747 | \$ 9,101,730 | Free Cash and other available funds to support capital improvements. |
| 5 | Appropriate into Capital Stabilization Fund | \$ 57,138 | \$ 3,085,296 | | \$ 3,142,434 | To meet future capital/debt service needs. |
| 6 | Appropriate from Capital Stabilization Fund | | | \$ — | \$ — | Proposed use of Capital Stabilization Fund to hold debt service increases to 5% annually. |
| 7 | Transition Free Cash out of Operating Budget | | \$ 1,500,000 | | \$ 1,500,000 | 5-year plan to eliminate the use of Free Cash for the Operating Budget. |
| 8 | Street Improvement Program | \$ 2,669,767 | | | \$ 2,669,767 | Consistent with long-term street maintenance plan. |
| 9 | Municipal Building Envelope and Systems | \$ 219,540 | | | \$ 219,540 | Initially funded in 2006 override; increases by 2.5% per year. |
| 10 | Warrant Articles | \$ 90,000 | \$ 20,570 | \$ 30,000 | \$ 140,570 | Senior Tax Work-Off; Comprehensive Plan Implementation; Climate Action Plan |
| 11 | Support of Recreation and Community Programs Dept. | \$ 242,790 | | | \$ 242,790 | Tax Levy support of Recreation and Community Programs Enterprise (Transfer to Article 5) |
| 12 | Subtotal | \$ 4,033,516 | \$ 15,284,329 | \$ 578,747 | \$ 19,896,592 | |
| 13 | Revenue to Support Operating Budget | \$ — | \$ 700,000 | \$ — | \$ 700,000 | Free Cash to support the FY2023 operating budget. |
| 14 | Funding for New Pension Schedule | | \$ 400,000 | | \$ 400,000 | Amount of incremental increase in the updated Pension Funding schedule will be supported with Free Cash in FY2023. |
| 15 | Retire Note for Land Purchases - Debt Service | \$ — | \$ — | | \$ — | To pay down notes issued for Pelham and Bedford St. over 5 years (final payment in FY2022). |
| 16 | Grand Total | \$ 4,033,516 | \$ 16,384,329 | \$ 578,747 | \$ 20,996,592 | |

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Section III: Program 1000: Education

This section includes detailed information about the FY2023 Operating Budget & Financing Plan for education. It includes:

- 1100 Lexington Public Schools III-2
- 1200 Minuteman Regional High School III-18

BUDGET OVERVIEW

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|--|----|
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January 4, 2022

Dear School Committee Members, Elected Officials, and Residents of Lexington:

The school budget development process is a 400-hour yearlong endeavor that involves many. Our dedicated Finance Office staff holds countless meetings with program leaders and administrators to inform the process, thoroughly analyzing and refining the draft until the budget reflects the needs of our students and not necessarily the district-wide wants. We take our commitment to our students and Lexington taxpayers seriously, and I am grateful for the diligent and thoughtful efforts of many. My thanks and appreciation goes to the Assistant Superintendent for Finance and Operations and to all who contribute to this effort, including our talented student artists!

Each year we listen closely to community feedback in an effort to make the budget document more user-friendly. One such suggestion was to incorporate an easily accessible high-level overview of the budget. Here are some highlights of the Lexington Public Schools FY 2023 Recommended Budget for those interested:

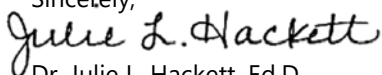
- As the pandemic evolves, it is important to know that the recommended budget is predicated on a full, pre-COVID return to teaching and learning, similar to the FY 2022 budget.
- The LPS allocation is \$128.25 million, representing a 4.38% increase from the previous year.
- For many years the total number of positions substantially increased each year. The proposed budget includes an overall decrease of 1.3 FTEs (full time equivalents), reflecting our commitment to a consolidation of positions and departments where and when appropriate.
- We have successfully negotiated collective bargaining agreements with the Tech Unit. Currently, we are in negotiations with Unit C and the SEIU, and we will begin bargaining with the LEA-Unit A and the ALA. This proposed budget accounts for all anticipated increases.
- Personnel costs are the greatest factor in a school budget with the majority of resources dedicated to salaries (83%) and the remainder dedicated to non-salary expenses (17%).
- In addition to the school budget, LPS annually receives approximately \$4 million in grants to further support the needs of our students. We carefully manage these funds, ensuring that we receive the maximum benefits to which we are entitled.

Budget development during a pandemic hasn't been easy for anyone. Labor shortages strained supply chains and volatile enrollment projections further complicate matters. Nationwide, school enrollment plummeted by nearly three million in 2020. The U.S. Census Bureau indicates that this is the most significant enrollment decrease in more than two decades. As of October 1st, LPS has approximately 312 fewer PK–5 students than projected. Unfortunately, Lexington High School—the one school where we could use the most relief from enrollment pressures—experienced virtually no decline, and the overcrowding in grades 9–12 persists. School districts in surrounding communities with similar demographics experienced even sharper enrollment declines.

Slowly, we are beginning to see our enrollment numbers stabilize, but how many students will return is one of many unknowns. Aldous Huxley said, "There are things known and things unknown, and in between are the doors of perception," which perfectly captures the pandemic budget development dilemma. Facts and figures alone are no longer adequate, and we have learned to trust our instincts and rely on our best guesses to develop appropriate staffing models to meet the needs of the nearly 7,000 students we serve.

Setting aside these challenges, I am incredibly thankful for your continued support. LPS is an outstanding school system filled with amazing students, staff and school community members who make "joy in learning" a daily priority. Many unknowns will continue to test our thinking and challenge our resolve as we enter into a new year, but there is no obstacle too great when it comes to our school community's commitment to our children.

Sincerely,



Dr. Julie L. Hackett, Ed.D.
Lexington Public Schools
Superintendent of Schools

The Strategic Plan of the Lexington Public Schools, 2019–2029

Mission Statement

Joy in learning; curiosity in life;
and compassion in all we do.

Our Core Values

- We all Belong
- Use Your Mind
- Be Curious & Have Fun
- Care for Yourself & Others
- Do Your Part
- Be Courageous
- Embrace Your Revolutionary Spirit
- You are Enough

Vision Statement

- Diversity, Equity, Inclusion
- Redefining Success
- Students as Active Agents
- Authentic Learning Experiences
- Community Partnership

Strategic Goals

- Goal 1: Address and Narrow Equity Gaps—Identify, address, and narrow equity gaps in student opportunities, experiences, and achievement, ensuring the meaningful inclusion and integration of every member of our school community.
- Goal 2: Redefine Success—Transform our practices, systems, and structures to reflect a broader definition of success for our students, staff, and schools, including new measures of student achievement that extend beyond academics to include the knowledge, skills, and attributes students need to be prepared for the future and content in life.
- Goal 3: Cultivate Student Agency—Cultivate student agency and a sense of self-efficacy by ensuring that all our Pre-K–12 students' educational experiences place them at the center of their learning; consistently revisit our curriculum, instruction, assessment, and professional learning practices to (1) ensure relevancy and student voice; (2) to teach students to set their own meaningful goals; (3) to value productive struggle as they work toward them; and (4) to reflect and monitor their progress toward attaining those goals.
- Goal 4: Innovate for Sustainable Change—Refine and improve our school- and district-wide practices, systems, and structures related to managing innovation and promoting lasting change. We will develop clear decision-making structures and communication methods to prevent initiative overload and enable us to more consistently scale up promising practices.

The complete Strategic Plan document can be found here: <https://bit.ly/33jADU5>.

Organizational Structure

The Education Reform Act of 1993 determined that the School Committee's charge is (1) to select and/or terminate the Superintendent; (2) to review and approve the budget; and (3) to establish educational goals and/or policies for the district consistent with the requirements of law and statewide goals and standards established by the Department of Elementary and Secondary Education.

School Committee Members

| | |
|-------------------------|--------------------|
| Kathleen Lenihan, Chair | Term Expires: 2024 |
| Eileen Jay, Vice Chair | Term Expires: 2022 |
| Deepika Sawhney | Term Expires: 2024 |
| Scott Bokun | Term Expires: 2022 |
| Sara Cuthbertson, Clerk | Term Expires: 2023 |

Budget Development

Budget Process

Annually, the administration develops its capital and operating budgets, which begin July 1 and end June 30. This highly collaborative and public process engages the School Committee, the Select Board, the Appropriation Committee, the Capital Expenditures Committee, municipal and school staff, and citizens. The employees of the Finance Office are responsible for coordinating, developing, and monitoring the annual budget process. Each year, the School Committee develops its annual goals, budget guidelines, and budget calendar. These provide the administration with the roadmap to develop the recommended annual budget. The Superintendent is tasked with developing a budget that advances the district in concert with the outlined policy objectives. The School Committee is responsible for reviewing and approving the budget for incorporation within the complete Town budget.

Major Steps in FY 2023 Budget Development:

Summer: School Committee and Superintendent establish Collective Goals.

Early Fall: School Committee approves annual budget guidelines and calendar.

Fall: Staff develop budget recommendations.

Late Fall/Early Winter: All departments meet with the Assistant Superintendent for Finance and Operations to review existing staffing levels, review budget priorities, and discuss anticipated budget requests. During this time, a series of working summit meetings including the School Committee, the Select Board, the Appropriation Committee, and the Capital Expenditures Committee are conducted to discuss the current financial health of the Town, along with any budgetary issues, and provide policy guidance to the municipal and school staff in finalizing budget recommendations. The Superintendent, in consultation with the Assistant Superintendent for Finance and Operations and the School Department's Administrative Council, reviews budget requests and makes recommendations for all school programs to the School Committee. The School Committee takes the recommendations of the Superintendent and after public hearings on the Superintendent's Budget Recommendations, makes final budget decisions consistent with their collective goals.

Early Spring: Before Town Meeting members discuss financial articles, the approved budget of the School Committee is distributed to Town Meeting members and the finance committees; it also is available to citizens at the Library and the Town Manager's Office. In addition, the budget documents are publicly available on the Lexington Public Schools website: <https://bit.ly/31jCHKK>.

Spring: The Annual Town Meeting begins in March with meetings held on weekday evenings. Town Meeting debates and adopts the School Department budget as part of the complete Town budget. Town Meeting has authority over the total appropriation of school department funds, but line-item authority and spending priorities are the purview of the School Committee.

Budget Guidelines

On September 28, 2021, the School Committee voted the FY 2023 Budget Guidelines and requested that the Superintendent present a level-service budget that attempts to address the eleven highlighted areas. These guidelines serve as the basis for the Superintendent's Recommended Budget in FY 2023. For purposes of clarification, a level-service budget is defined as an allocation of the funds necessary to replicate the current level of services provided, accommodating changes in enrollment, all legal requirements, including current collective bargaining requirements, and special education laws. The FY 2023 budget guidelines are as follows:

In order to provide for the educational needs of Lexington students, the Superintendent of Schools will develop a fiscal year 2023 budget that will:

1. Ensure the safety, security, and social-emotional well-being of our students, and continue the Town's joint effort on mental health.
2. Ensure all legal and contractual mandates are met.
3. Ensure professional staffing guidelines will be met and class sizes will remain within the established guidelines, to the extent possible given space and personnel limitations.
4. Identify efficiencies and cost-saving measures that do not compromise the educational program.
5. Include sufficient operating and capital funds to:
 - a) continue the current level of services;
 - b) be responsive to projected enrollment changes and corresponding needs, including those related to staffing, instructional supplies, and facilities;
 - c) move the district forward in meeting the increasing technological demands in various educational settings; and
 - d) implement a master capital plan to expand school capacity and meet changing enrollment.
6. Maintain capital assets in order to support the instructional program, protect the physical assets of the Town of Lexington, and ensure the health and safety of our students and staff.
7. Identify funds and strategies to implement diversity, equity, and inclusion efforts and to increase the cultural proficiency of our school community.

8. Identify funds and strategies to implement world language programs at the elementary level, including scheduling, phasing, staffing, and curricula materials that promote a comprehensive and sustainable program.
9. Identify funds and strategies to continue to leverage and support social and emotional learning efforts throughout the district.
10. Continue to explore possible alternatives and improvements to school programs at all levels, the scope and sequence of science classes at the secondary level, and continue the research and implementation of graduation requirements.
11. Identify costs, impacts, and an implementation plan associated with potential reintroduction of remote learning and hybrid learning models related to any significant resurgence of COVID-19 health crisis.
12. Identify funds and/or strategies necessary to implement the multi-year comprehensive Lexington Public Schools Strategic Plan for the district, to include equity and master planning.

Budget Calendar

Each year, the Superintendent presents a budget calendar to the School Committee. This calendar outlines the timing of events and guides the budget development process. This timeline can be found below:

2021

| | |
|------------------------|---|
| September 14 | School Committee Reviews Proposed LPS Technology Capital Budget Request |
| September 21 | Google Form link distributed for FY 2023 staffing and expense budget requests. FY 2023; Google Form requests for staffing and expenses are due to the Assistant Superintendent for Finance and Operations at the date of individual budget meetings |
| September 22 | Fall Fiscal Guidelines Summit |
| September 28 | School Committee reviews FY 2023 budget calendar and FY 2023 budget guidelines |
| October 12 (tentative) | School Committee approves FY 2023 budget calendar and FY 2023 budget guidelines |
| October 1-4 | FY 2023–2027 IT capital budget submitted to Town of Lexington |
| October 1–October 15 | Review capital proposals: Superintendent, Director of Public Facilities, and Assistant Superintendent for Finance and Operations |
| October 1–October 15 | Superintendent, Director of Public Facilities, and Assistant Superintendent for Finance and Operations discuss project requests with administrators |
| October 14 | Summit I: Financial Indicators; 5–Year Forecast; Initial Revenue Projection; LPS to present enrollment figures and other relevant updates |

FY 2023 Superintendent's Recommended Budget

| | |
|-------------------------|--|
| October 18 | Senior Management Team presents project list for potential American Rescue Plan Act (ARPA Grant) |
| October 18–October 29 | SPED budget staffing meetings (with Assistant Superintendent for Finance and Operations, Assistant Director of Finance, Director of Special Education, ETS, and building principals) |
| October 22 | Submittal of Town (Municipal & School) FY 2023–2027 Capital Requests to Capital Expenditure Committee (CEC) and Community Preservation Committee (CPC) |
| November 1–November 19 | Budget Review: Central Office and department staff meet at assigned times with Assistant Superintendent for Finance and Operations and Assistant Director of Finance |
| TBD | Recommended FY 2023–2027 capital budget requests approved by the School Committee (School Department and Public Facilities) |
| November 8–November 18 | Fall Special Town Meeting |
| November 30 | Town Manager begin FY 2023 Budget Hearings |
| December 2 | Summit II: Final Revenue Allocation Model |
| December 18 (tentative) | Superintendent finalizes FY 2023 budget recommendation |
| December 24–December 31 | School Vacation Week |
| December 29 | Budget distributed to School Committee and posted to website |
| <u>2022</u> | |
| January 3 | Superintendent's Budget Presentation to LPS staff |
| January 4 | School Committee Meeting: Superintendent's Budget Presentation |
| January 10 (tentative) | Town Manager Submittal of Preliminary Operating and Capital Budget to Board of Selectmen (White Book) |
| January 13 | Summit III: White Book |
| January 18 | Public hearing: School Committee Public Hearing and discussion of the Superintendent's Recommended FY 2023 Budget: Location: TBD |
| January 24 | Public Hearing: Superintendent's Recommended FY 2023 Budget: Location: Selectmen's Meeting Room |
| February 8 | School Committee FY 2023 budget discussions, consideration of community feedback on FY 2023 Operating Budget (including fees) and FY 2023–2027 Capital Budget |

| | |
|-------------------------|---|
| February 10 | Summit IV (if needed) |
| February 14 (tentative) | Select Board vote to approve FY 2023 Recommended Operating Budget and FY 2023–2027 Capital Improvement Plan (CIP) |
| February 21 (tentative) | 2022 Annual Town Meeting School Committee Fiscal Year 2023 Recommended Operating Budget document finalized (TMMA) |
| February 22 | School Committee adopts FY 2023 Operating Budget (including fees) and FY 2023–2027 Capital Budget |
| March 7 (tentative) | Distribution of FY 2023 Recommended Operating and Capital Budget to TMMA, Town Manager, Senior Management Team, Appropriation Committee, Capital Expenditures Committee, Select Board, School Committee, Central Office, and Principals |
| March TBD | Annual Town Meeting (Mondays and Wednesdays until completed; Town Meeting does not meet during April school vacation week) |
| March TBD | Budget presentation to Town Meeting by the Town Manager and Superintendent |
| April 25 | Notification of budget approvals; Employee Action Forms sent to Human Resources |
| June 1 | School Operating Budget opens for entry of supply and services requisitions |

Approved by School Committee 9/28/2021

Revenue Allocation Process

The Town of Lexington has established a collaborative budget development process that is conducted through a series of budget summit meetings. These budget summit meetings begin in October and end in February. These meetings include the School Committee, the Select Board, the Appropriation Committee, and the Capital Expenditures Committee. Topics covered at these meetings include:

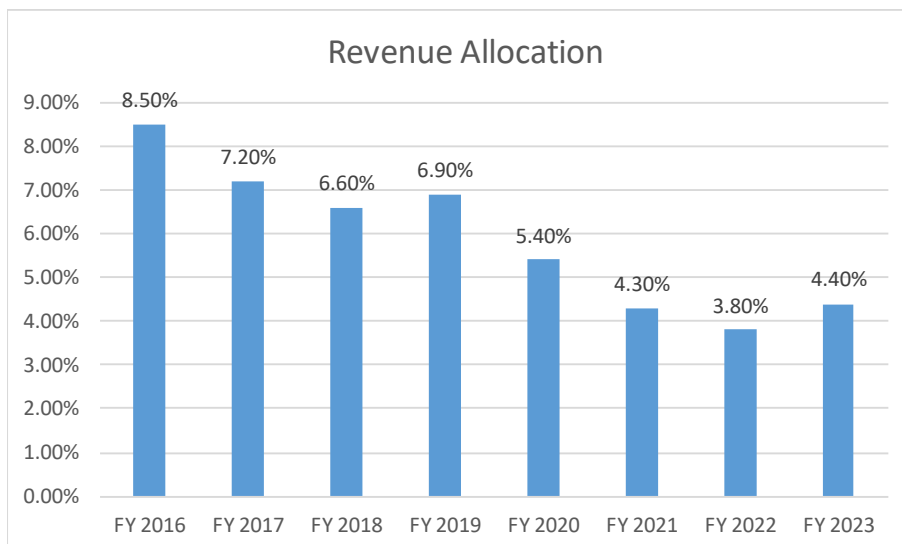
- Summit I: Financial Indicators; 5-Year Forecast; Initial Revenue Projection
- Summit II: FY 2023 Revenue Allocation Model
- Summit III: FY 2023 White Book Review
- Summit IV: FY 2023 Brown Book Preview

The Revenue Allocation Model, first presented at Summit II on December 2, 2021, provides for a projected 4.4% increase over the School Department's FY 2022 budget, the detail of which is broken out in the table that follows:

FY 2023 Revenue Allocation Model

| \$258,921 | | Projected FY 2023 Revenue | | | |
|------------------|--------------|----------------------------------|------------------|---------------|---|
| | | Shared | Municipal | School | |
| (1) | \$ (123,377) | \$ - | \$ - | \$ (123,377) | FY 2022 School Budget |
| (2) | \$ (43,510) | \$ - | \$ (43,510) | \$ - | FY 2022 Municipal Budget - Community Center Support |
| (3) | \$ 778 | \$ - | \$ 278 | \$ 500 | Remove One-time Funding Due to Pandemic |
| (4) | \$ (3,506) | \$ (3,506) | \$ - | \$ - | FY 2023 Minuteman |
| (5) | \$ (8,159) | \$ (8,159) | \$ - | \$ - | FY 2023 Contributory Retirement |
| (6) | \$ (17) | \$ (17) | \$ - | \$ - | FY 2023 Non-Contributory Retirement |
| (7) | \$ (32,723) | \$ (32,723) | \$ - | \$ - | FY 2023 Benefits |
| (8) | \$ (200) | \$ (200) | \$ - | \$ - | FY 2023 Unemployment |
| (9) | \$ (625) | \$ (625) | \$ - | \$ - | FY 2023 Workers' Comp |
| (10) | \$ (895) | \$ (895) | \$ - | \$ - | FY 2023 Property and Liability Insurance |
| (11) | \$ (200) | \$ (200) | \$ - | \$ - | FY 2023 Uninsured Losses |
| (12) | \$ (390) | \$ (390) | \$ - | \$ - | FY 2023 Solar Production Payment |
| (13) | \$ (8,543) | \$ (8,543) | \$ - | \$ - | FY 2023 Debt Service |
| (14) | \$ - | \$ - | \$ - | \$ - | Pay Down Principal for Land Purchases |
| (15) | \$ (750) | \$ (750) | \$ - | \$ - | FY 2023 Reserve Fund |
| (16) | \$ (12,642) | \$ (12,642) | \$ - | \$ - | FY 2023 Facilities Department Budget |
| (17) | \$ (44) | \$ (44) | \$ - | \$ - | Facilities PIRs |
| | | \$ (500) | \$ - | \$ - | Set-Aside for as yet to be identified needs |
| | | \$ (200) | \$ - | \$ - | Unanticipated Current Fiscal Year Needs |
| | | TBD | \$ - | \$ - | Debt Service Mitigation |
| | | \$ (700) | \$ - | \$ - | Transition Free Cash out of Operating Budget - 3rd of 5 years |
| | | \$ (57) | \$ - | \$ - | Tax Levy Dedicated to Capital Stabilization Fund |
| (18) | \$ (16,848) | \$ (5,245) | \$ - | \$ - | Capital Stabilization Fund |
| | | \$ (5,312) | \$ - | \$ - | Cash Capital |
| | | \$ (1,930) | \$ - | \$ - | OPEB |
| | | \$ (2,670) | \$ - | \$ - | Street Improvement Program |
| | | \$ (220) | \$ - | \$ - | Building Envelope Program |
| | | \$ (15) | \$ - | \$ - | Senior Tax Work-Off Program |
| (19) | \$ (251,651) | \$ (85,542) | \$ (43,232) | \$ (122,877) | Base Budget - Used for Allocation |
| | | | 26.0% | 74.0% | Percentage - Municipal and School Only |
| (20) | \$ 7,269 | \$ - | \$ 1,892 | \$ 5,377 | Incremental Revenue |
| | | | 4.4% | 4.4% | Percent of Current Budget |

Revenue Allocation History & Trends: Below is the growth factor approved during the last eight budget cycles:



Recommended Budget and Summary of Significant Budget Changes

| Funding Sources | FY 2019 Actual | FY 2020 Actual | FY 2021 Actual | FY 2022 Budget | FY 2023 Budget Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------------------|-----------------|------------------|
| Tax Levy | \$ 107,667,945 | \$ 113,222,275 | \$ 118,318,895 | \$ 122,633,481 | \$ 128,009,947 | \$ 5,376,466 | 4.38% |
| Fees & Charges | \$ 443,500 | \$ 331,482 | \$ 88,500 | \$ 243,500 | \$ 244,500 | \$ 1,000 | 0.30% |
| Special Education Stabilization Fund | | | | \$ 500,000 | \$ - | | |
| Total 1100 Lexington Public Schools | \$ 108,111,445 | \$ 113,553,757 | \$ 118,407,395 | \$ 123,376,981 | \$ 128,254,447 | \$ 5,377,466 | 4.36% |

| Appropriation Summary | FY 2019 Actual | FY 2020 Actual | FY 2021 Actual | FY 2022 Budget | FY 2023 Budget Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------------------|-----------------|------------------|
| Salary and Wages | \$ 90,271,520 | \$ 94,593,795 | \$ 96,807,462 | \$ 102,654,658 | \$ 106,450,152 | \$ 3,795,494 | 3.70% |
| Expenses | \$ 16,832,878 | \$ 15,015,367 | \$ 18,464,904 | \$ 20,222,323 | \$ 21,804,295 | \$ 1,581,972 | 7.82% |
| Total | \$ 107,104,398 | \$ 109,609,162 | \$ 115,272,366 | \$ 122,876,981 | \$ 128,254,447 | \$ 5,377,466 | 4.38% |
| Special Education Stabilization Fund | | | | \$ 500,000 | | | |
| Total 1100 Lexington Public Schools | \$ 107,104,398 | \$ 109,609,162 | \$ 115,272,366 | \$ 123,376,981 | \$ 128,254,447 | \$ 5,377,466 | |

* Amounts shown are general fund only and does not reflect spending supported by Labbb Credit,Circuit Breaker Funds, Revolving Funds, or local/state/federal grant funds

Transfer to Unclassified (Health, Medicare, Workers Comp) \$0.00 0.00 FTE

Total Recommended \$ 128,254,447 \$ 5,377,466

Unallocated from Revenue Allocation Model \$ -

The School Department was allocated a Revenue increase of \$5,377,466 (4.36% increase) for FY 2023 through the Revenue Allocation Model adopted at Summit II. The School Department will not be requesting a \$500,000 allocation out of the Special Education Stabilization Fund for FY 2023, as it had in the development of the FY 2022 budget. These funds should not be needed in FY 2022 due to sound fiscal management.

For FY 2023 the salaries and wages line is increased by \$3,795,494 (or 3.70%) to support existing position cost of living adjustment increases, lane changes, and step increases. Salaries and wages comprise 83.00% of the School Department budget. The expense line is recommended to increase by 1,581,972 (or 7.82%) over the FY 2022 appropriation.

Negotiated Salary Increases

The FY 2023 budget includes funding for estimated wage increases for all collective bargaining units and non-union positions, including both step increases and cost of living adjustments (COLA). The current status of collective bargaining agreements, corresponding expiration dates, and negotiated adjustments is listed below:

| Bargaining Unit | Contract Term | Negotiated Increases |
|-----------------|-------------------------|---|
| LEA: Unit A | 09/01/2019 – 08/31/2022 | Effective Sept. 1, 2019: 2.25% Effective Sept. 1, 2020: 2.25% Effective Sept. 1, 2021: 3% |
| LEA: Unit C | 09/01/2018 – 08/31/2021 | Pending; prior contract was 2% year to year |
| LEA: Unit D | 07/01/2019 – 06/30/2023 | Effective July 1, 2020: 2.25% |

| | | |
|---------------------|-------------------------|--|
| | | Effective July 1, 2021: 2.5%; Effective July 1, 2022: 2.75% |
| LEA: Tech | 07/01/2021 – 06/30/2024 | Effective July 1, 2021: 2.25% Effective July 1, 2022: 2.5% Effective July 1, 2023: 1.5% (with modifications to steps) |
| ALA: Administrators | 07/01/2019 – 06/30/2022 | Effective Sept. 1, 2019: 2.25% Effective Sept. 1, 2020: 2.25% Effective Sept. 1, 2021: 3% |

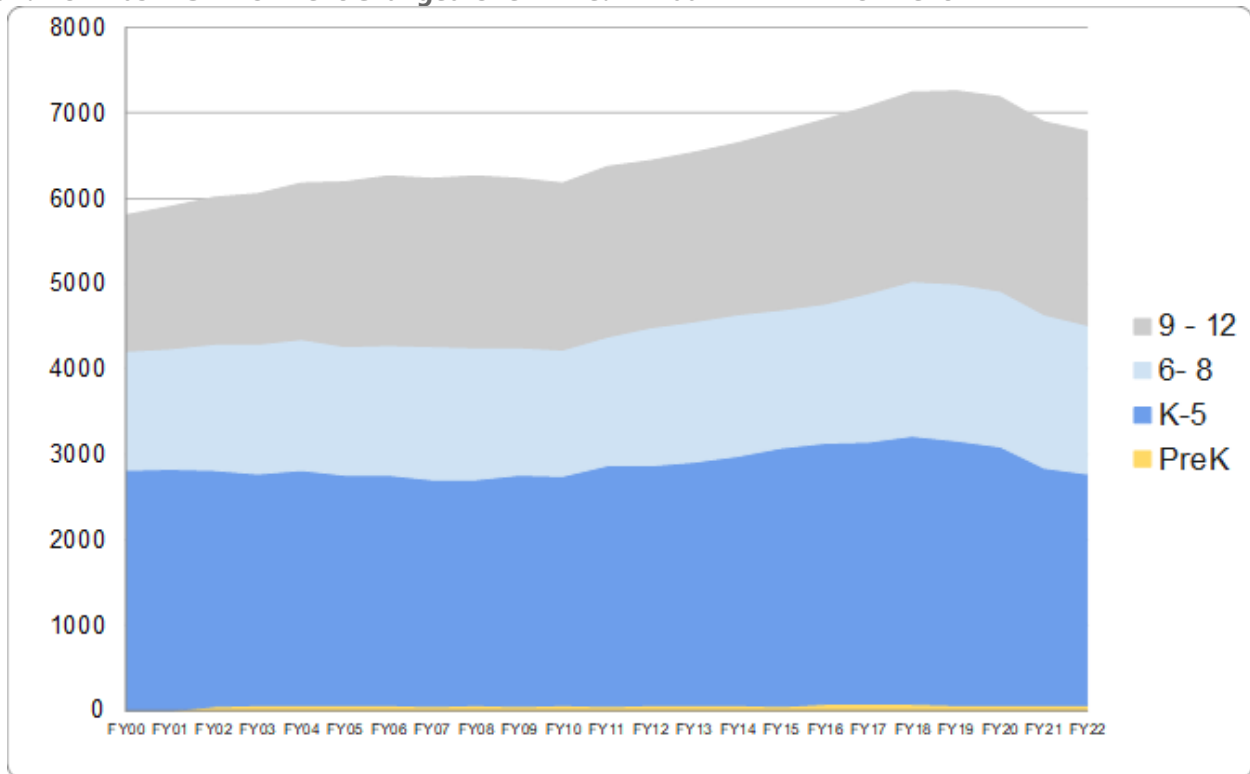
Enrollment Fluctuation and Changing Operational Conditions Due to the Pandemic

At the time of this report's publication LPS and our community were still experiencing the impacts of the global COVID-19 pandemic. In March 2020, conditions required LPS and other schools across the Commonwealth to switch to remote instruction for all students. During the 2020–2021 school year, LPS implemented full-time remote learning for families who opted to continue with this learning model (referred to as the Remote Learning Academy or RLA), a week in / week remote Hybrid learning model, and full-time in-person learning for our most vulnerable learners. As described in the *LPS FY 2022 LPS Superintendent's Recommended Budget*, this combination of learning models, along with the broader impact of the COVID-19 pandemic, affected staffing, increased expenses for supplies and materials, and affected other operations, such as bus transportation, food services, technology, and curriculum design and delivery.

Shifting our focus to the 2021–2022 school year and beyond, distribution of Coronavirus vaccines is continuing. As of May 13, people aged 12 and older who live, work, or study in Massachusetts were able to get vaccinated against COVID-19. As of October 25, 2021, 89.1% of this age group was fully vaccinated. On October 29, 2021, similar approval was granted for those ages 5 to 11. LPS also implemented a staff vaccination requirement (with approved religious or medical exemptions). While this is very much welcomed news and has allowed for a return to more typical school operations, LPS continues to experience the impacts of the pandemic and are planning in a somewhat uncertain environment.

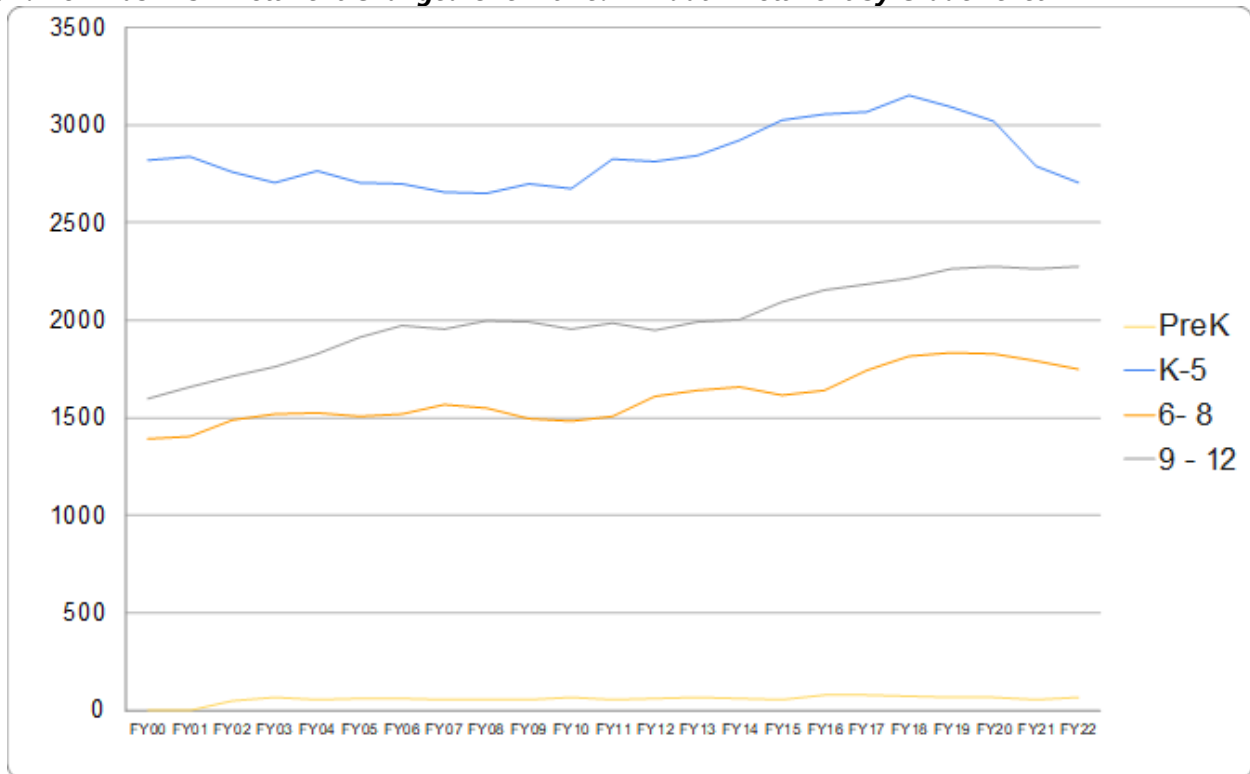
Like many school systems across the Commonwealth, LPS experienced a significant drop in enrollment in FY 2021. In 2019–2020, corresponding with the timing of the pandemic, K to 12 enrollment declined by 278 students, a significant deviation from the prior trend. This decline has continued into 2020–2021 (-121 students K to 12 from the previous year).

Fig. 1: How has LPS Enrollment Changed Over Time? Annual PK - 12 Enrollment



As with historical enrollments, it is critically important to note that enrollment changes continue to vary across grade levels. Variation in enrollment, as well as variation in staffing models, student schedules, programs, facilities and other operational details, must be taken into account while planning and can be more critical than changes in overall enrollment. While enrollment has declined at the elementary and middle school level during the last few years, enrollment has remained stable at the high school level (See Fig 2).

Fig. 2: How has LPS Enrollment Changed Over Time? Annual Enrollment by Grade Level



The majority of the decline from the last two years comes from the elementary level (-317 K to 5 students out of -399 total) and occurred in FY 2021 (-278 students FY 2020 to FY 2021, -88 students FY 2021 to FY 2022). Elementary enrollment had been declining prior to the pandemic and was previously projected to continue to decline slightly until leveling out or beginning to increase again around 2022–2023. However, the decline that occurred during FY 2021 and again in FY 2022 was much larger than expected.

In contrast, high school enrollment has remained relatively stable during this time and continues to be well over the building's planned operating capacity for large core spaces, such as the cafeteria and other spaces (2,273 as of October 1, 2021 with spaces designed for a capacity of 1,850). Current high school enrollment would need to decline by approximately 425 students for the core spaces to be within the planned operating capacity.

In 2020–2021 a portion of the decline in elementary enrollment was the consequence of lower than typical kindergarten enrollments (See Table 3), a similar pattern observed in other communities. As of October 1, 2020, Lexington enrolled 309 kindergarten students (compared to 382 to 414 students during the previous years). Although K enrollment had been declining prior to this year, the decline of 73 students in kindergarten was much sharper than recently experienced. This year's K enrollment (343) is higher than 2020–2021, but is still lower than pre-pandemic levels. As larger cohorts graduate from the system and these smaller than typical cohorts replace them, the net impact is an overall decline in enrollment.

Table 3: How does Enrollment Vary by Grade? (FY 2019 to FY 2022)

| | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 1 year change |
|---------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| PK | 78 | 71 | 69 | 68 | 57 | 67 | 10 |
| K | 414 | 412 | 401 | 382 | 309 | 343 | 34 |
| 1 | 493 | 493 | 467 | 453 | 408 | 364 | -44 |
| 2 | 503 | 526 | 509 | 507 | 480 | 441 | -39 |
| 3 | 556 | 535 | 552 | 538 | 507 | 494 | -13 |
| 4 | 577 | 590 | 560 | 563 | 532 | 519 | -13 |
| 5 | 523 | 594 | 605 | 576 | 554 | 541 | -13 |
| 6 | 608 | 568 | 619 | 615 | 567 | 552 | -15 |
| 7 | 598 | 630 | 574 | 625 | 601 | 591 | -10 |
| 8 | 537 | 615 | 640 | 588 | 625 | 605 | -20 |
| 9 | 552 | 530 | 598 | 607 | 550 | 576 | 26 |
| 10 | 555 | 576 | 542 | 591 | 599 | 547 | -52 |
| 11 | 557 | 554 | 572 | 526 | 582 | 583 | 1 |
| 12 | 521 | 552 | 551 | 551 | 530 | 567 | 37 |
| K - 5 | 3066 | 3150 | 3094 | 3019 | 2790 | 2702 | -88 |
| 6 - 8 | 1743 | 1813 | 1833 | 1828 | 1793 | 1748 | -45 |
| 9 - 12 | 2185 | 2212 | 2263 | 2275 | 2261 | 2273 | 12 |
| K- 12 | 6994 | 7175 | 7190 | 7122 | 6844 | 6723 | -121 |

Prior to the pandemic, beginning with transition from 8th to 9th grade, it had been typical to have some decline in cohort size as cohorts reached the high school grades. This is due to the combined effect of more students transferring to other schools (see Table 4 for further detail) and also fewer new students entering the system than in other grades.

During the last two years there has been an increase in students enrolled in other grades transferring from LPS. Last year's review of enrollment data from October 1, 2020 found an increase in the number of students transferring to other public schools in Massachusetts, transferring to private schools in Massachusetts, transferring to schools out of state or switching to homeschooling (See Table 4). The largest increase was in the number transferring to in-state private schools (an increase of 112 students from the prior year). Transfers to an out-of-state school or transfers to an in-state public school are more likely to coincide with a residential move out of the Town of Lexington. Private school transfers could also include a residential move, but not always.

A review of transfer reasons from October 2021 (FY 2022) finds a similar level of students transferring to other in-state public schools as last year (FY 2020: 50 students; FY 2021: 93 students; FY 2022: 90 students), both higher than pre-pandemic levels. The number of students transferring to in-state private schools is lower than last year, but still significantly higher than pre-pandemic levels (FY 2020: 45 students FY 2021: 157 students, FY 2022: 135 students.).

Finally, the number of students transferring to schools out-of-state has continued to increase (FY 2020: 104 students FY 2021: 136 students, FY 2022: 150 students).

Table 4: LPS Transfer Reasons: October FY 2020 to FY 2022

| | Transferred — In state public | | | Transferred — In state private | | | Transferred — Out-of-State (public or private) | | | Transferred — Home-school | | | Combined Transfer Reasons | | |
|--------------|-------------------------------|-----------|-----------|--------------------------------|------------|------------|--|------------|------------|---------------------------|-----------|----------|---------------------------|------------|------------|
| | FY20 | FY21 | FY22 | FY20 | FY21 | FY22 | FY20 | FY21 | FY22 | FY20 | FY21 | FY22 | FY20 | FY21 | FY22 |
| K | 3 | 5 | 5 | 0 | 7 | 0 | 3 | 5 | 9 | 0 | 0 | 0 | 6 | 17 | 14 |
| 1 | 2 | 11 | 5 | 2 | 11 | 6 | 5 | 5 | 7 | 0 | 5 | 2 | 9 | 32 | 20 |
| 2 | 4 | 3 | 9 | 1 | 10 | 4 | 11 | 12 | 12 | 0 | 2 | 2 | 16 | 27 | 27 |
| 3 | 3 | 9 | 13 | 2 | 17 | 5 | 4 | 8 | 15 | 0 | 1 | 2 | 9 | 35 | 35 |
| 4 | 2 | 10 | 5 | 2 | 12 | 11 | 4 | 12 | 11 | 1 | 4 | 1 | 9 | 38 | 28 |
| 5 | 5 | 6 | 5 | 1 | 10 | 13 | 11 | 20 | 6 | 0 | 0 | 0 | 17 | 36 | 24 |
| 6 | 6 | 3 | 6 | 6 | 20 | 19 | 10 | 13 | 22 | 0 | 0 | 0 | 22 | 36 | 47 |
| 7 | 6 | 10 | 6 | 2 | 13 | 6 | 5 | 18 | 13 | 0 | 2 | 1 | 13 | 43 | 26 |
| 8 | 3 | 22 | 22 | 3 | 21 | 40 | 6 | 13 | 9 | 0 | 0 | 0 | 12 | 56 | 71 |
| 9 | 8 | 5 | 6 | 14 | 14 | 13 | 19 | 16 | 19 | 0 | 0 | 0 | 41 | 35 | 38 |
| 10 | 1 | 5 | 3 | 8 | 10 | 11 | 13 | 7 | 12 | 0 | 1 | 0 | 22 | 23 | 26 |
| 11 | 2 | 3 | 4 | 3 | 8 | 4 | 7 | 6 | 13 | 0 | 0 | 0 | 12 | 17 | 21 |
| 12 | 5 | 1 | 1 | 1 | 4 | 3 | 6 | 1 | 2 | 0 | 0 | 0 | 12 | 6 | 6 |
| Total | 50 | 93 | 90 | 45 | 157 | 135 | 104 | 136 | 150 | 1 | 15 | 8 | 200 | 401 | 383 |

(Source: LPS SIMS, Grade is the student's grade as of the October reporting period)

Among those who continued to reside in Lexington, this was consistent with information gleaned from our [School Attending Children](#) data, which showed a small decrease in the percent of school aged children residing in Lexington enrolled in a Lexington public school. For the last ten years, just under 90% of Lexington children attend one of the local public schools, accounting for the majority of school aged children who reside in Lexington (Table 5). During the most recent year of complete data (2020–2021), this proportion decreased slightly to 86.8%. It appears a greater number of Lexington families opted for homeschool (0.3% in 2019–2020 to 0.7% in 2020–2021) or enrolled in an in-state private or parochial school (8.7% in 2019–2020 to 10% in 2020–2021).

Table 5: How Many Lexington Children Attend a Lexington Public School (K-12)?

| Year | LPS (K-12)* | % LPS | Voc. Tech. Regional Schools | Collab. Schools | Charter Schools | Out-of-District Public Schools | Home Schooled | In State Private & Parochial Schools | Out-of- State Private & Parochial Schools | Total |
|---------|-------------|-------------|-----------------------------|-----------------|-----------------|--------------------------------|---------------|--------------------------------------|---|-------|
| 2020-21 | 6624 | 86.8 | 70 | 40 | 5 | 29 | 54 | 762 | 46 | 7630 |
| 2019-20 | 7077 | 88.8 | 62 | 48 | 1 | 20 | 26 | 692 | 41 | 7967 |
| 2018-19 | 6986 | 89.3 | 54 | 47 | 2 | 22 | 27 | 653 | 29 | 7820 |
| 2017-18 | 6982 | 89.4 | 51 | 41 | 2 | 19 | 25 | 671 | 23 | 7814 |
| 2016-17 | 6810 | 88.9 | 49 | 39 | 1 | 23 | 23 | 677 | 35 | 7657 |
| 2015-16 | 6617 | 88.6 | 45 | 37 | 2 | 28 | 25 | 678 | 38 | 7470 |
| 2014-15 | 6621 | 89.1 | 40 | 38 | 2 | 15 | 37 | 653 | 27 | 7433 |
| 2013-14 | 6384 | 88.4 | 44 | 34 | 2 | 18 | 39 | 674 | 29 | 7224 |
| 2012-13 | 6363 | 88.1 | 53 | 32 | 3 | 21 | 33 | 681 | 33 | 7219 |
| 2011-12 | 6545 | 88.4 | 53 | 29 | 2 | 19 | 26 | 706 | 28 | 7408 |
| 2010-11 | 6082 | 87.3 | 58 | 24 | 0 | 18 | 35 | 715 | 32 | 6964 |
| 2009-10 | 6015 | 89.0 | 35 | 17 | - | 8 | - | 655 | 27 | 6757 |

(SOURCE: LPS School Attending Children Report)

*The count for local public schools included in this chart does not include preschool students, state wards, foster care students, homeless students or students attending part time or evening classes. It also does not include students from another city or town, even if they are enrolled in our school system (e.g METCO students).

Future LPS Enrollment

Each year the district reviews new student enrollment based on October 1 and produces updated enrollment projections. These projections are offered as a planning tool, but not a definitive prediction of future enrollment. Projections are built on the assumption that historical data and enrollment patterns can offer clues about the future. However, if new variables not present or accounted for in historical data are introduced (i.e. a global pandemic) that have an impact on enrollment, enrollment projections based on this data are unlikely to hold.

About LPS Projections:

For the purposes of this budget, a version of the Cohort Survival Method was used, which is one of multiple models the district runs each year. In this version, future kindergarten enrollments are based on a non-linear regression that incorporates 40 years of historical kindergarten enrollments. Average grade-to-grade progression rates are then applied to the rest of the grades. See [LPS Annual Review of Enrollment](#) for more information.

Projections also include 90% confidence intervals, reflecting the inherent uncertainty associated with projections. Correct interpretation of intervals is that there is a 90% chance that the confidence interval contains the true value of future enrollment. It is recommended that plans based on projections consider this confidence interval and incorporate appropriate flexibility. LPS will continue to monitor enrollment very closely and strongly encourage those engaged in planning that considers multiple possible future scenarios when possible.

Updated enrollment projections and confidence intervals are summarized in Table 6. District-wide, Lexington’s elementary enrollment is projected to decrease over the next three years. Two primary factors impacting future growth at this level are the size of the incoming kindergarten classes and the size of the outgoing upper elementary cohorts. The recent smaller size of kindergarten classes combined with comparatively larger elementary classes moving to middle school, even with continued cohort growth through elementary, results in lower elementary projections. Although the overall elementary projections for the next three years show an overall decrease, growth in enrollment can and will likely continue to vary across elementary schools and should be factored into decisions about staffing and resource allocation.

Overall middle school enrollment is also projected to decline into FY 2024 (an approximate decline of 50 students) and then level out the following year. Similar to patterns expected at the elementary, the larger outgoing middle school cohorts (currently 552, 591 & 605 in grades 6–8) are projected to be replaced by slightly smaller cohorts moving up from elementary in the next few years (e.g. in FY 2025, cohorts in grades 6–8 are projected to be about 544, 564 and 585). The overall result is a projected decline over the next three years.

The updated forecast for the high school level suggests enrollment will continue at current levels, with enrollments around 2,275 for the next three years.

Table 6: What Is The LPS’s Forecasted Enrollment?

| | Actual | | | | | Projected | | |
|---------------|--------|------|------|------|------|-----------|--------|--------|
| | FY18 | FY19 | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 |
| K - 5 | 3150 | 3094 | 3019 | 2790 | 2702 | 2637 | 2570 | 2497 |
| | | | | | | +/-90 | +/-130 | +/-170 |
| 6 to 8 | 1813 | 1833 | 1828 | 1793 | 1748 | 1728 | 1701 | 1693 |
| | | | | | | +/-50 | +/-55 | +/-60 |
| 9 -12 | 2212 | 2263 | 2275 | 2261 | 2273 | 2272 | 2264 | 2275 |
| | | | | | | +/-55 | +/-60 | +/-65 |

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Budget Overview: The Regional High School subprogram budget is for the assessment levied by the Minuteman Regional Vocational Technical School District to support the operations of the School. Minuteman is a regional high school, located in Lexington and Lincoln, which provides technical and academic education for students in grades 9-12 from the Minuteman district, which includes 9 towns as of July 1, 2020, as well as out-of-district students.

Minuteman Tech’s programs include courses in Biotechnology, Environmental Science, Multi-media Engineering, Design and Visual Communication, Engineering and Robotics Automation, Cosmetology, Early Education and Teaching, Carpentry, Culinary Arts and Hospitality, Plumbing, Electrical, Health Occupations, Horticulture, Programming and Web Development, Automotive Technology, Welding and Metal Fabrication, Advanced manufacturing courses and a new Animal Science program, as well as four-year academic and college preparatory programs. In addition, adult students can pursue a variety of continuing education programs at Minuteman.

Lexington’s historical enrollment at Minuteman is shown in the table below as of October 1st of each year, the date that enrollments from school districts throughout the Commonwealth are reported to the Massachusetts Department of Elementary and Secondary Education.

| | 10/1/2016 | 10/1/2017 | 10/1/2018 | 10/1/2019 | 10/1/2020 | 10/1/2021 |
|--------------------------------|-----------|-------------|-----------|-----------|-----------|-----------|
| High School Students | 54 | 53.5 | 52 | 62 | 71 | 68 |
| Post Graduate Students* | 1 | 1 | 1 | 4 | — | — |
| Total | 55 | 54.5 | 53 | 66 | 71 | 68 |

*Beginning in FY2021, Minuteman began offering Minuteman Technical Institute (MTI) for post-secondary students. MTI students pay tuition directly to Minuteman; it had previously been included in the assessment. Two Lexington residents are enrolled in MTI in FY2022.

Appropriated/Authorized Staffing:

No Town staff are charged to this budget.

Budget Recommendations

The FY2023 recommended budget for the Minuteman Regional High School assessment is \$3,223,898, an increase \$93,860 or 3.00% from the FY2022 budget. This is a preliminary figure, as the district is still developing its FY2023 budget, which will be presented to the Minuteman School Committee on January 11, 2022.

Most of the increase is from debt service, much of which is from the new school building, which opened in September 2019. Overall, the assessment incorporates \$1,017,152 in debt service, an increase of \$89,260 or 9.6%. Since all debt for the new building has now been issued, Minuteman projects that future debt requirements will gradually reduce as debt is paid down.

The annual assessment is broken out as follows -

| Category | FY2020 | FY2021 | FY2022 | FY2023 | \$ Change | % Change |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|-------------|
| Minimum Required Contribution | \$ 799,005 | \$ 1,057,954 | \$ 1,156,993 | \$ 1,158,939 | \$ 1,946 | 0.2% |
| Transportation Assessment | \$ 86,714 | \$ 83,516 | \$ 109,594 | \$ 78,524 | \$ (31,070) | (28.4)% |
| Remaining Operating Assessment | \$ 962,102 | \$ 1,011,769 | \$ 935,559 | \$ 969,283 | \$ 33,724 | 3.6% |
| Capital/Debt Service | \$ 618,510 | \$ 709,909 | \$ 927,892 | \$ 1,017,152 | \$ 89,260 | 9.6% |
| Post-Graduate | \$ 3,800 | \$ — | | | \$ — | —% |
| Total Assessment | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.0% |

*Numbers may not add due to rounding.

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Tax Levy | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |
| Total 1200 Minuteman | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Compensation | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Expenses | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |
| Total 1200 Minuteman | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |

| Level-Service Requests | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Total 1200 Minuteman | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |
| Total 1200 Minuteman | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Salaries & Wages | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Compensation</i> | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Contractual Services | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Supplies | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Expenses</i> | <i>\$ 2,470,131</i> | <i>\$ 2,863,147</i> | <i>\$ 3,130,038</i> | <i>\$ 3,223,898</i> | <i>\$ 93,860</i> | <i>3.00%</i> |
| Total 1200 Minuteman | \$ 2,470,131 | \$ 2,863,147 | \$ 3,130,038 | \$ 3,223,898 | \$ 93,860 | 3.00% |

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Section IV: Program 2000: Shared Expenses

This section includes detailed information about the FY2023 Operating Budget & Financing Plan for shared expenses. It includes:

- 2100 Employee Benefits IV-3
- 2200 Property & Liability Insurance IV-8
- 2300 Solar Producer Payments IV-10
- 2400 Debt Service IV-12
- 2500 Reserve Fund IV-14
- 2600 Public Facilities IV-17

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Mission: To provide and manage a comprehensive benefits program for Town and School employees and retirees.

Budget Overview: Included in the Employee Benefits and Insurance program are costs for the Town's pension assessment, workers' compensation, unemployment insurance, health, dental and life insurance benefits and the Medicare tax.

Employee Benefits is comprised of the following:

- Contributory Retirement Assessment: The assessment of the Lexington Contributory Retirement System levied to the Town to finance a portion of retirement benefits of Town and non-teaching School employees. This assessment is issued pursuant to Massachusetts General Laws (MGL) Chapter 32 and is based on an actuarial valuation of the funding obligations of the Lexington Contributory Retirement System. In addition to this assessment, employee contributions - ranging from 5% to 11% depending on date of hire - provide the majority of pension system funding.
- Non-Contributory Retirement: The cost of benefits for employees who retired prior to the creation of the Lexington Contributory Retirement System.
- Employee/Retiree Benefits: The Town's annual contribution for health, dental and life insurance for active Municipal and School Department employees and retirees, and the Town's 1.45% share of Medicare tax for all employees hired after 1986.
- Unemployment Compensation: The cost of unemployment payments for eligible employees separated from Municipal or School Department employment. The Town self-insures for this expense.
- Workers' Compensation: The medical costs incurred by Municipal and School employees injured on the job, and medical costs of former public safety employees who retired on accidental disability. The Town largely self-insures for this expense, but purchases "stop loss" insurance for extraordinary work-related medical claims. The premiums for that insurance are captured in the Workers' Compensation budget.

Authorized/Appropriated Staffing:

Staff support is provided through the Town Manager's Office, Human Resources and the Finance Department. Portions of the salaries of four employees are charged to the General Fund health insurance budget.

Budget Recommendations:

The FY2023 recommended All Funds Employee Benefits and Insurance budget is \$41,891,886. This is a \$1,997,463 or 5.01% increase from the FY2022 budget. The recommended budget includes the benefits costs (health, dental, life, Medicare and workers' compensation) for all municipal and school staff and retirees as of November 1, 2021.

Changes Include:

1. A \$741,750, or 10.00% increase in Contributory Retirement based on a revised funding schedule based on the January 1, 2021 actuarial valuation of the Lexington Retirement System. Of that amount, \$400,000 is funded from Free Cash, which is the same level of Free Cash funding as in FY2022. The revised schedule would result in full funding of the system's unfunded liability by 2030, given the current actuarial assumptions.
2. A \$450 or 2.76% increase in Non-Contributory Retirement costs for employees receiving pensions awarded prior to the creation of the Contributory Retirement system.
3. A \$72,524 or 3.66% increase in the Town's contribution for the Medicare Tax based on FY2021 actual costs, projected FY2022 and FY2023 salaries and wages, new municipal positions, and historical rates of increase in this item.
4. A \$1,284,346 or 4.54% increase in health insurance costs (General Fund). The FY2023 budget is based on an increase of 5.0% in health insurance premiums across all plans at November 2021 enrollment levels, and the projected addition of eighty (80) subscribers (new enrollees to health coverage, either from new retirees, active employees electing to begin or resume coverage, and active employees switching from individual to family plans). The recommended budget includes benefits for a newly benefited position at the Department of Public Facilities.
5. A \$15,785 or 1.44% increase in dental insurance costs (General Fund) based on the anticipated level-funding of premium rates for FY2023, updated to reflect November 2021 enrollment levels and a newly benefited position at the Department of Public Facilities.
6. No increase in life insurance costs based on projected enrollments.
7. Level-funding of unemployment insurance based on the revised budget of \$200,000, which reflects recent claim activity.
8. A \$(125,000) or (16.67)% decrease in workers' compensation costs to a total of \$625,000. As of June 30, 2021, this continuing appropriation account had a total balance of \$2,455,662. In light of the fund balance, staff recommend a gradual reduction in the appropriation through FY2026, with a goal of maintaining a fund balance of \$2 million.

2100 Employee Benefits & Insurance

Budget Summary - General Fund

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|------------------|
| Tax Levy | \$ 33,802,865 | \$ 35,228,913 | \$ 38,737,210 | \$ 40,533,981 | \$ 1,796,771 | 4.64% |
| Transfers from Enterprise Funds to General Fund (Indirects) | \$ 708,643 | \$ 762,237 | \$ 611,775 | \$ 805,256 | \$ 193,481 | 31.63% |
| Free Cash for Updated Pension Schedule | \$ — | \$ — | \$ 400,000 | \$ 400,000 | \$ — | —% |
| PEG Access Special Revenue Fund | \$ 4,976 | \$ 5,250 | \$ 5,575 | \$ 5,178 | \$ (397) | -7.12% |
| Total 2100 Employee Benefits | \$ 34,516,484 | \$ 35,996,400 | \$ 39,754,560 | \$ 41,744,415 | \$ 1,989,855 | 5.01% |

| Appropriation Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|------------------|
| Compensation | \$ 80,546 | \$ 103,959 | \$ 115,083 | \$ 121,047 | \$ 5,964 | 5.18% |
| Expenses | \$ 34,435,938 | \$ 35,892,440 | \$ 39,639,477 | \$ 41,623,368 | \$ 1,983,891 | 5.00% |
| Total 2100 Employee Benefits | \$ 34,516,484 | \$ 35,996,400 | \$ 39,754,560 | \$ 41,744,415 | \$ 1,989,855 | 5.01% |

| Level-Service Requests (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|------------------|
| Total 2110 Contributory Retirement | \$ 6,334,436 | \$ 6,679,199 | \$ 7,417,500 | \$ 8,159,250 | \$ 741,750 | 10.00% |
| Total 2120 Non-Contributory Retirement | \$ 15,487 | \$ 15,907 | \$ 16,327 | \$ 16,777 | \$ 450 | 2.76% |
| <i>Subtotal - Retirement</i> | <i>\$ 6,349,923</i> | <i>\$ 6,695,106</i> | <i>\$ 7,433,827</i> | <i>\$ 8,176,027</i> | <i>\$ 742,200</i> | <i>9.98%</i> |
| Total 2130 Medicare | \$ 1,851,593 | \$ 1,907,961 | \$ 1,982,127 | \$ 2,054,651 | \$ 72,524 | 3.66% |
| Total 2130 Health Insurance | \$ 24,133,417 | \$ 25,448,028 | \$ 28,270,148 | \$ 29,554,494 | \$ 1,284,346 | 4.54% |
| Total 2130 Dental Insurance | \$ 1,072,635 | \$ 985,610 | \$ 1,093,458 | \$ 1,109,243 | \$ 15,785 | 1.44% |
| Total 2130 Life Insurance | \$ 21,571 | \$ 20,384 | \$ 25,000 | \$ 25,000 | \$ — | — |
| <i>Subtotal - Health/Life Benefits</i> | <i>\$ 27,079,216</i> | <i>\$ 28,361,983</i> | <i>\$ 31,370,733</i> | <i>\$ 32,743,388</i> | <i>\$ 1,372,655</i> | <i>4.38%</i> |
| Total 2140 Unemployment | \$ 200,000 | \$ 64,311 | \$ 200,000 | \$ 200,000 | \$ — | —% |
| Total 2150 Workers Compensation* | \$ 887,346 | \$ 875,000 | \$ 750,000 | \$ 625,000 | \$ (125,000) | -16.67% |
| <i>Subtotal - Other Employee Benefits</i> | <i>\$ 1,087,346</i> | <i>\$ 939,311</i> | <i>\$ 950,000</i> | <i>\$ 825,000</i> | <i>\$ (125,000)</i> | <i>-13.16%</i> |
| Total 2100 Employee Benefits | \$ 34,516,484 | \$ 35,996,400 | \$ 39,754,560 | \$ 41,744,415 | \$ 1,989,855 | 5.01% |

| Object Code Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|------------------|
| Salaries & Wages | \$ 80,546 | \$ 103,959 | \$ 115,083 | \$ 121,047 | \$ 5,964 | 5.18% |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| <i>Personal Services</i> | <i>\$ 80,546</i> | <i>\$ 103,959</i> | <i>\$ 115,083</i> | <i>\$ 121,047</i> | <i>\$ 5,964</i> | <i>5.18%</i> |
| Contractual Services | \$ 34,435,938 | \$ 35,892,440 | \$ 39,639,477 | \$ 41,623,368 | \$ 1,983,891 | 5.00% |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| Supplies | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| <i>Expenses</i> | <i>\$ 34,435,938</i> | <i>\$ 35,892,440</i> | <i>\$ 39,639,477</i> | <i>\$ 41,623,368</i> | <i>\$ 1,983,891</i> | <i>5.00%</i> |
| Total 2100 Employee Benefits | \$ 34,516,484 | \$ 35,996,400 | \$ 39,754,560 | \$ 41,744,415 | \$ 1,989,855 | 5.01% |

Budget Summary - Revolving Funds*

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-----------------|------------------|
| Directed Funding (Revolving Funds) | \$ 119,250 | \$ 133,586 | \$ 139,863 | \$ 147,471 | \$ 7,608 | 5.44% |
| Total 2100 Employee Benefits | \$ 119,250 | \$ 133,586 | \$ 139,863 | \$ 147,471 | \$ 7,608 | 5.44% |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Level-Service Requests (Revolving Funds) | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|-------------------|-------------------|-------------------|--------------------|-----------------|------------------|
| Total 2130 Health Insurance | \$ 117,343 | \$ 129,199 | \$ 135,729 | \$ 143,337 | \$ 7,608 | 5.61% |
| Total 2130 Dental Insurance | \$ 1,908 | \$ 4,387 | \$ 4,134 | \$ 4,134 | \$ — | —% |
| Total 2100 Employee Benefits | \$ 119,250 | \$ 133,586 | \$ 139,863 | \$ 147,471 | \$ 7,608 | 5.44% |

Budget Summary - All Funds

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|------------------|
| Compensation | \$ 80,546 | \$ 103,959 | \$ 115,083 | \$ 121,047 | \$ 5,964 | 5.18% |
| Expenses | \$ 34,555,188 | \$ 36,026,026 | \$ 39,779,340 | \$ 41,770,839 | \$ 1,991,499 | 5.01% |
| Total 2100 Employee Benefits | \$ 34,635,735 | \$ 36,129,986 | \$ 39,894,423 | \$ 41,891,886 | \$ 1,997,463 | 5.01% |

2100 Employee Benefits & Insurance

Focus on: Health Benefits – Line Item 2130

While the cost of health insurance continues to be a concern for the Town of Lexington, as is the case with all public and private organizations in this region and across the country, the Town was successful in negotiating with the Employee Health Insurance Coalition to join the State’s Group Insurance Commission (GIC) health insurance program, which has helped to slow the growth of this large cost driver.

The Town has an agreement with the Public Employees Committee (PEC) to remain in the GIC through June 30, 2022, and will begin bargaining for a successor agreement this spring.

The table below displays an approximate distribution of health insurance costs for Municipal and School employees and Retirees.

| | FY2018 Actual | FY2019 Actual | FY2020 Actual | FY2021 Actual | Budgeted FY2022 | Projected FY2023 | Increase FY2022 to FY2023 |
|---|----------------------|----------------------|----------------------|----------------------|------------------------|-------------------------|----------------------------------|
| Town ⁽¹⁾ | \$ 3,445,544 | \$ 3,636,336 | \$ 3,903,453 | \$ 4,242,098 | \$ 4,874,424 | \$ 5,059,791 | 3.80% |
| School | \$ 11,232,098 | \$ 12,141,910 | \$ 13,170,788 | \$ 13,965,697 | \$ 15,502,288 | \$ 16,244,427 | 4.79% |
| Retirees | \$ 6,790,042 | \$ 6,725,482 | \$ 6,980,911 | \$ 7,165,298 | \$ 7,815,172 | \$ 8,175,329 | 4.61% |
| Total | \$ 21,467,685 | \$ 22,503,728 | \$ 24,055,153 | \$ 25,373,093 | \$ 28,191,883 | \$ 29,479,547 | 4.57% |
| Mitigation Fund ⁽²⁾ | \$ 300,000 | --- | --- | --- | --- | --- | --- |
| Medicare Part B Penalty ⁽³⁾ | \$ 88,628 | \$ 82,241 | \$ 78,264 | \$ 74,935 | \$ 78,264 | \$ 74,935 | (4.25)% |
| Net Budget Amount | \$ 21,856,313 | \$ 22,585,970 | \$ 24,133,417 | \$ 25,448,028 | \$ 28,270,147 | \$ 29,554,481 | 4.54% |

(1) Portion of salaries attributable to health insurance administration is inclusive in these figures.

(2) Payment made to the Public Employee Committee (PEC) HRA Mitigation Fund to offset increasing co-pays and deductibles.

(3) Medicare Part B Penalty is the penalty the Town must pay due to deferred migration of retirees from active plans to Medicare supplement plans.

2100 Employee Benefits & Insurance

The table below shows the number of employees and retirees enrolled in the Town's health insurance program.

Table 2: Health Insurance Enrollments ⁽¹⁾

| | | | | FY2022 Budget | FY2023 Budget |
|--|---------------------------|---------------------------|---------------------------|--|---------------------------|
| Actual Subscribers | | | | Based on Actual Subscribers, plus Additional Projected Lives shown below | |
| Subscribers | Nov. 2017 (FY2018) | Nov. 2018 (FY2019) | Nov. 2019 (FY2020) | Nov. 2020 (FY2021) | Nov. 2021 (FY2022) |
| Municipal | | | | | |
| Individual | 81 | 96 | 107 | 98 | 110 |
| Family | 176 | 164 | 168 | 171 | 172 |
| subtotal | 257 | 260 | 275 | 269 | 282 |
| School | | | | | |
| Individual | 336 | 356 | 350 | 358 | 376 |
| Family | 502 | 536 | 561 | 555 | 536 |
| subtotal | 838 | 892 | 911 | 913 | 912 |
| Retirees | | | | | |
| | 1,269 | 1,289 | 1,307 | 1,302 | 1,338 |
| subtotal | 2,364 | 2,441 | 2,493 | 2,484 | 2,532 |
| Additional projected lives for budget purposes | | | | | |
| Position Vacancies | | | | | |
| Municipal | | | | 18 | 9 |
| School | | | | 13 | 26 |
| subtotal | | | | 31 | 35 |
| Estimated Open Enrollment / Qualifying Events ⁽²⁾ | | | | | |
| Individual | | | | 9 | 9 |
| Family | | | | 27 | 27 |
| Retirees | | | | 44 | 44 |
| subtotal | | | | 80 | 80 |
| total | 2,364 | 2,441 | 2,493 | 2,595 | 2,647 |
| New Positions | | | | | |
| School ⁽³⁾ | | | | 0 | 0 |
| Municipal ⁽³⁾ | | | | 2 | 0 |
| Facilities Dept. | | | | 0 | 1 |
| subtotal | | | | 2 | 1 |
| Estimated Reduction in Subscribers | | | | | |
| Retirees | | | | (34) | (34) |
| total | 2,364 | 2,441 | 2,493 | 2,563 | 2,614 |
| <p>(1) The subscriber counts above do not include COBRA subscribers, but include employees whose salaries and benefits are funded either fully or partially from non-General Fund sources.</p> <p>(2) The projection shown under open enrollment / qualifying events is based on an assumption of current employees losing coverage on their spouse's plans, and changes in marital status or dependent status.</p> <p>(3) Based on the budgets as recommended by the School Committee and Select Board and assumes that each full-time equivalent will subscribe to Town's insurance. The cost is estimated at a composite rate based on school and municipal personnel enrollment.</p> | | | | | |

Mission: To provide and manage a comprehensive property and liability management program for all property and equipment in the Town.

Budget Overview: The property and liability management program consists of the following elements:

- Property and Liability Insurance: The cost of premiums for policies that: (1) protect the Town against property loss and damage; (2) insure the Town's vehicles; and (3) cover the Town against liability claims.
- Uninsured Losses: A continuing balance account for uninsured property losses, settlements and deductibles contained in various insurance policies.

Authorized/Appropriated Staffing:

A portion of the Deputy Town Manager's salary is charged to this line-item in recognition of the ongoing support provided.

Budget Recommendations:

The FY2023 overall recommendation for Property and Liability Insurance is \$1,095,000, which is a level-funded from the FY2022 appropriation.

1. Property and liability insurance is increasing by \$50,000 or 5.92%. In FY2022, the appropriation was level-funded due to savings realized from a new procurement. Premium increases of approximately 5% were used to project the FY2023 funding level.
2. A \$(50,000) decrease in the budget for uninsured losses. The balance in this continuing balance account as of June 30, 2021, is \$1,563,470. In light of the fund balance, staff recommend a gradual reduction in the appropriation, with a goal of maintaining a fund balance of \$1 million.

2200 Property & Liability Insurance

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---|--------------------|--------------------|---------------------|---------------------|-----------------|------------------|
| Tax Levy | \$1,022,643 | \$1,008,200 | \$ 1,069,961 | \$ 1,064,863 | \$ (5,098) | (0.48)% |
| Transfers from Enterprise Funds to General Fund (Indirects) | \$ 32,113 | \$ 33,096 | \$ 25,039 | \$ 30,137 | \$ 5,098 | 20.36 % |
| Total 2200 Property & Liability Insurance | \$1,054,756 | \$1,041,296 | \$ 1,095,000 | \$ 1,095,000 | \$ — | — % |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|--------------------|--------------------|----------------------|---------------------|-----------------|------------------|
| Compensation | \$ 35,090 | \$ 37,035 | \$ 36,338 | \$ 37,806 | \$ 1,468 | 4.04 % |
| Expenses | \$1,019,666 | \$1,004,261 | \$ 1,058,662 | \$ 1,057,194 | \$ (1,468) | (0.14)% |
| Total 2200 Property & Liability Insurance | \$1,054,756 | \$1,041,296 | \$ 1,095,000 | \$ 1,095,000 | \$ — | — % |

| Level-Service Requests | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|--------------------|--------------------|----------------------|---------------------|-----------------|------------------|
| Total 2210 Property & Liability Insurance | \$ 804,756 | \$ 791,296 | \$ 845,000 | \$ 895,000 | \$ 50,000 | 5.92 % |
| Total 2220 Uninsured Losses | \$ 250,000 | \$ 250,000 | \$ 250,000 | \$ 200,000 | \$ (50,000) | (20.00) |
| Total 2200 Property & Liability Insurance | \$1,054,756 | \$1,041,296 | \$ 1,095,000 | \$ 1,095,000 | \$ — | — % |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|--------------------|--------------------|----------------------|---------------------|-------------------|------------------|
| Salaries & Wages | \$ 35,090 | \$ 37,035 | \$ 36,338 | \$ 37,806 | \$ 1,468 | 4.04 % |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| <i>Compensation</i> | <i>\$ 35,090</i> | <i>\$ 37,035</i> | <i>\$ 36,338</i> | <i>\$ 37,806</i> | <i>\$ 1,468</i> | <i>4.04 %</i> |
| Contractual Services | \$1,019,666 | \$1,004,261 | \$ 1,058,662 | \$ 1,057,194 | \$ (1,468) | (0.14)% |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| Supplies | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — |
| <i>Expenses</i> | <i>\$1,019,666</i> | <i>\$1,004,261</i> | <i>\$ 1,058,662</i> | <i>\$ 1,057,194</i> | <i>\$ (1,468)</i> | <i>(0.14)%</i> |
| Total 2200 Property & Liability Insurance | \$1,054,756 | \$1,041,296 | \$ 1,095,000 | \$ 1,095,000 | \$ — | — % |

2300 Solar Producer Payments

Mission: To provide obligated payments for the installation and operating costs of the solar array at the Hartwell Avenue Compost Facility.

Budget Overview: For the solar arrays installed at the Hartwell Avenue Compost Facility, Eversource elected to reimburse the Town for the solar power generated via monthly payments, rather than issue a credit on the Town's electric bills. For the rooftop solar panels on Town and School buildings, that energy is credited in the monthly bill, thereby reducing utility costs at the Department of Public Facilities. As a means of separately tracking the Hartwell Avenue arrangement, this budget division reflects:

- Net Metering Credits: The revenues received from Eversource in return for solar power generated at Hartwell Avenue. Any excess revenues are deposited into the General Fund.
- Solar Producer Payments: The annual amount paid to Syncarpha, the current owner of the solar panels, for the cost of construction and operating costs.

Authorized/Appropriated Staffing:

No direct staff is charged to this line-item. Staff support is provided through the Public Facilities, Town Manager and Finance departments.

Budget Recommendations:

The FY2023 overall recommendation for Solar Producer Payments is \$390,000, which is level-funded from the FY2022 appropriation.

2300 Solar Producer Payments

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---|-------------------|-------------------|-------------------|-------------------|-----------------|------------------|
| Tax Levy | \$ (306,475) | \$ (306,604) | \$ (280,000) | \$ (280,000) | \$ — | — % |
| Net-Metering Credits | \$ 691,986 | \$ 674,298 | \$ 670,000 | \$ 670,000 | \$ — | — % |
| Total 2300 Solar Producer Payments | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|-------------------|-------------------|----------------------|--------------------|-----------------|------------------|
| Compensation | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Expenses | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |
| Total 2300 Solar Producer Payments | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |

| Level-Service Requests | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|-------------------|-------------------|----------------------|--------------------|-----------------|------------------|
| Total 2300 Solar Producer Payments | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |
| Total 2300 Solar Producer Payments | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|-------------------|-------------------|----------------------|--------------------|-----------------|------------------|
| Salaries & Wages | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Compensation</i> | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Contractual Services | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Utilities | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |
| Supplies | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Expenses</i> | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |
| Total 2300 Solar Producer Payments | \$ 385,512 | \$ 367,694 | \$ 390,000 | \$ 390,000 | \$ — | — % |

Summary of Townwide Solar Credits and Expenses

| | FY2017 Actual | FY2018 Actual** | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projection |
|----------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Rooftop Solar Bill Credits | \$ 279,665 | \$ 303,696 | \$ 333,329 | \$ 326,421 | \$ 308,738 | \$ 291,500 | \$ 291,500 |
| Rooftop PILOT* | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 | \$ 30,000 |
| Rooftop Solar Payments | \$ (162,343) | \$ (157,038) | \$ (159,033) | \$ (173,254) | \$ (164,249) | \$ (165,000) | \$ (165,000) |
| Net Revenue subtotal | \$ 147,322 | \$ 176,658 | \$ 204,296 | \$ 183,167 | \$ 174,489 | \$ 156,500 | \$ 156,500 |
| Hartwell Solar Revenue | | \$ 647,232 | \$ 720,493 | \$ 691,986 | \$ 674,298 | \$ 670,000 | \$ 670,000 |
| Hartwell PILOT* | | \$ 55,400 | \$ 55,400 | \$ 55,400 | \$ 55,400 | \$ 55,400 | \$ 55,400 |
| Hartwell Annual Lease | | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 | \$ 1,000 |
| Hartwell Solar Payments | | \$ (355,257) | \$ (351,839) | \$ (385,512) | \$ (367,694) | \$ (390,000) | \$ (390,000) |
| Net Revenue subtotal | \$ — | \$ 348,375 | \$ 425,054 | \$ 362,875 | \$ 363,004 | \$ 336,400 | \$ 336,400 |
| Total Net Revenue | \$ 147,322 | \$ 525,033 | \$ 629,350 | \$ 546,042 | \$ 537,493 | \$ 492,900 | \$ 492,900 |

*Per MA DOR, solar PILOTs (Payments in Lieu of Taxes) are deposited as Personal Property taxes rather than under a PILOT category of revenue.

**FY2018 costs/revenue for Hartwell are not representative of a full year of operations.

Mission: To manage the issuance of Town debt in a manner which protects assets that are required to deliver town services and yet limits large increases or decreases in annual debt service.

Budget Overview: Debt service includes General Fund principal and interest payments for levy-supported (non-exempt) debt, both authorized by Town Meeting, as well as for capital projects being proposed to the 2022 Annual Town Meeting.

Debt service on projects funded from the Compost Revolving Fund is shown in the DPW Budget element 3420; and debt service for Water and Sewer Enterprise projects is shown in the DPW Budget under elements 3610 and 3710, respectively.

Debt Service voted to be exempt from Proposition 2½, while not appropriated by Town Meeting, is presented for informational purposes.

Authorized/Appropriated Staffing:

There is no direct staff charged to this line-item. Staff support for managing debt service is provided through the Town Manager and Finance departments.

Budget Recommendations:

Total gross within-levy and Exempt debt service (before mitigation) is decreasing by \$(3,623,221), or (13.35)% compared to FY2022. Within-Levy debt service of \$7,541,580 is decreasing by \$(2,855,532), or (27.46)% primarily due to the bond anticipation notes issued for the land purchases on Pelham Road and Bedford Street being retired in FY2022.

The Town's target increase for net within-levy debt service is 5% per year; any amount over that is recommended to be mitigated with a transfer from the Capital Stabilization Fund. For FY2023, net within-levy debt is decreasing (6.22)% from FY2022 budgeted amounts; therefore, a transfer from the Capital Stabilization fund is not needed to mitigate within-levy debt service in FY2023. Within levy debt service is expected to trend downward over the next few years as management has committed to funding ongoing capital programs with cash capital and has benefited from low interest rates over the last few years. Transfers may be needed in future years to mitigate within levy debt service related to the Hartwell Avenue street improvements, or other significant capital projects that may arise.

FY2022 gross exempt debt service as reported on the FY2022 Tax Rate Recap \$16,747,991, which was mitigated via a \$2,800,000 transfer from the Capital Stabilization Fund. FY2023 gross exempt debt service is projected at \$15,980,302, a decrease of \$(767,689), or (4.58)% compared to FY2022 gross exempt debt service. FY2023 exempt debt service continues to be driven by the excluded debt projects approved by the voters in December 2017 – the Fire Station Replacement, Hastings Elementary School Replacement and the new Lexington Children's Place (LCP) building. To mitigate the impact of this increase on Lexington taxpayers, it is proposed that \$800,000 of Capital Stabilization Funds be appropriated to offset exempt debt service in FY2023.

It is notable that the authorized debt for the capital projects noted above was mostly issued as of June 30, 2020, and exempt debt service for these projects peaked in FY2021. The Police Station reconstruction is proposed for the 2022 Annual Town Meeting and a debt exclusion vote is expected to follow in June 2022. If approved, gross exempt debt service will increase over the next 2-3 years. Despite this increase, significant draw-downs from the Capital Stabilization Fund are not expected for this project as the Police Station debt will be partly offset by older exempt debt that will be retired over the same period.

2400 Debt Service

The FY2023 proposed capital projects are described in greater detail in Section XI: Capital Investment in this Recommended Budget and Financing Plan.

Budget Summary

| Funding Sources (All Funds) | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|------------------------------------|---------------------|---------------------|----------------------|----------------------|-----------------------|---------------------|
| Tax Levy | \$20,604,752 | \$22,675,688 | \$ 24,293,170 | \$ 22,705,757 | \$ (1,587,413) | (6.53)% |
| Fund Transfers | | | | | | |
| Capital Stab. Fund - Exempt Debt | \$ 5,200,000 | \$ 4,600,000 | \$ 2,800,000 | \$ 800,000 | \$ (2,000,000) | (71.43)% |
| Cemetery Sale of Lots Fund | \$ 64,380 | \$ 40,480 | \$ 51,933 | \$ 16,125 | \$ (35,808) | (68.95)% |
| Betterments Fund | \$ 16,000 | \$ 6,200 | \$ — | \$ — | \$ — | — % |
| Visitors Center Stabilization Fund | \$ — | \$ 200,000 | \$ — | \$ — | \$ — | — % |
| Total Debt Service | \$25,885,132 | \$27,522,368 | \$ 27,145,103 | \$ 23,521,882 | \$ (3,623,221) | (13.35)% |

| Appropriation Summary (All Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------------|---------------------|---------------------|-------------------------|-----------------------|-----------------------|---------------------|
| Compensation | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Expenses | \$25,885,132 | \$27,522,368 | \$ 27,145,103 | \$ 23,521,882 | \$ (3,623,221) | (13.35)% |
| Total Debt Service | \$25,885,132 | \$27,522,368 | \$ 27,145,103 | \$ 23,521,882 | \$ (3,623,221) | (13.35)% |

| Gross Within Levy Debt Service | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|---------------------|---------------------|-------------------------|-----------------------|-----------------------|---------------------|
| Total 2410 Within-Levy Long-Term Principal* | \$ 5,968,224 | \$ 6,292,000 | \$ 5,626,400 | \$ 5,274,000 | \$ (352,400) | (6.26)% |
| Total 2420 Within-Levy Long-Term Interest | \$ 1,010,976 | \$ 1,101,675 | \$ 956,198 | \$ 1,217,534 | \$ 261,336 | 27.33 % |
| Total 2430 Within-Levy Short-Term Principal | \$ 2,275,366 | \$ 2,712,350 | \$ 3,373,865 | \$ 885,600 | \$ (2,488,265) | (73.75)% |
| Total 2430 Within-Levy Short-Term Interest | \$ 302,312 | \$ 131,513 | \$ 440,649 | \$ 164,446 | \$ (276,203) | (62.68)% |
| Total Gross Within-Levy Debt Service | \$ 9,556,878 | \$10,237,538 | \$ 10,397,112 | \$ 7,541,580 | \$ (2,855,532) | (27.46)% |

| Net Within Levy Debt Service | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|-------------------------|-----------------------|---------------------|---------------------|
| Total 2410 Within-Levy Long-Term Principal | \$ 5,968,224 | \$ 6,292,000 | \$ 5,626,400 | \$ 5,274,000 | \$ (352,400) | (6.26)% |
| Total 2420 Within-Levy Long-Term Interest | \$ 1,010,976 | \$ 1,101,675 | \$ 956,198 | \$ 1,217,534 | \$ 261,336 | 27.33 % |
| Total 2430 Within-Levy Short-Term Borrowing | \$ 2,577,678 | \$ 2,843,863 | \$ 3,814,514 | \$ 1,050,046 | \$ (2,764,468) | (72.47)% |
| Funding Set-aside to Retire Note for Land Purchases | \$ (2,234,614) | \$ (2,403,450) | \$ (2,320,274) | \$ — | \$ 2,320,274 | (100.00)% |
| Funding from Cemetery Sale of Lots/ Betterments/Visitors Center | \$ (80,380) | \$ (246,680) | \$ (51,933) | \$ (16,125) | \$ 35,808 | (68.95)% |
| Total Net Within-Levy Debt Service | \$ 7,241,885 | \$ 7,587,408 | \$ 8,024,905 | \$ 7,525,455 | \$ (499,450) | (6.22)% |

| Exempt Debt Service | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|-------------------------|-----------------------|-----------------------|---------------------|
| Total Exempt Debt Service | \$16,328,254 | \$17,284,830 | \$ 16,747,991 | \$ 15,980,302 | \$ (767,689) | (4.58)% |
| Use of Capital Stabilization Fund to mitigate impact of excluded debt service on property tax bills | \$ (5,200,000) | \$ (4,600,000) | \$ (2,800,000) | \$ (800,000) | \$ 2,000,000 | (71.43)% |
| Net Exempt Debt Service | \$11,128,254 | \$12,684,830 | \$ 13,947,991 | \$ 15,180,302 | \$ 1,232,311 | 8.84 % |
| Total Gross Debt Service - All Funds | \$25,885,132 | \$27,522,368 | \$ 27,145,103 | \$ 23,521,882 | \$ (3,623,221) | (13.35)% |
| Total Net Debt Service - All Funds | \$18,370,139 | \$20,272,238 | \$ 21,972,896 | \$ 22,705,757 | \$ 732,861 | 3.34 % |

2500 Reserve Fund

Mission: To provide for extraordinary and unforeseen expenses.

Budget Overview: The Reserve Fund is under the jurisdiction of the Appropriation Committee.

Authorized/Appropriated Staffing:

There is no direct staff charged to this line-item. Staff support is provided through the Town Manager and Finance departments.

Budget Recommendations:

The FY2023 recommendation for the Reserve Fund is \$750,000, which is level-funded from the FY2022 appropriation.

Notes: The FY2020 and FY2021 budgets for the Reserve Fund were \$900,000 and \$750,000, respectively.

- In FY2020, \$100,000 was transferred to the Fire Department to offset increases in spending due to the Town's response to the COVID-19 pandemic.
- In FY2021, \$15,000 was transferred to the Conservation Division to allow them to respond to a Letter of Map Revision from the Town of Belmont.

2500 Reserve Fund

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--------------------------------|---------------|---------------|-------------------|-------------------|-----------------|------------------|
| Tax Levy | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |
| Total 2500 Reserve Fund | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|---------------|---------------|----------------------|--------------------|-----------------|------------------|
| Compensation | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Expenses | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |
| Total 2500 Reserve Fund | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |

| Level-Service Requests | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|---------------|---------------|----------------------|--------------------|-----------------|------------------|
| Total 2500 Reserve Fund | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |
| Total 2500 Reserve Fund | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|---------------|---------------|----------------------|--------------------|-----------------|------------------|
| Salaries & Wages | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Compensation</i> | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Contractual Services | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Supplies | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Expenses</i> | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |
| Total 2500 Reserve Fund | \$ — | \$ — | \$ 750,000 | \$ 750,000 | \$ — | — % |

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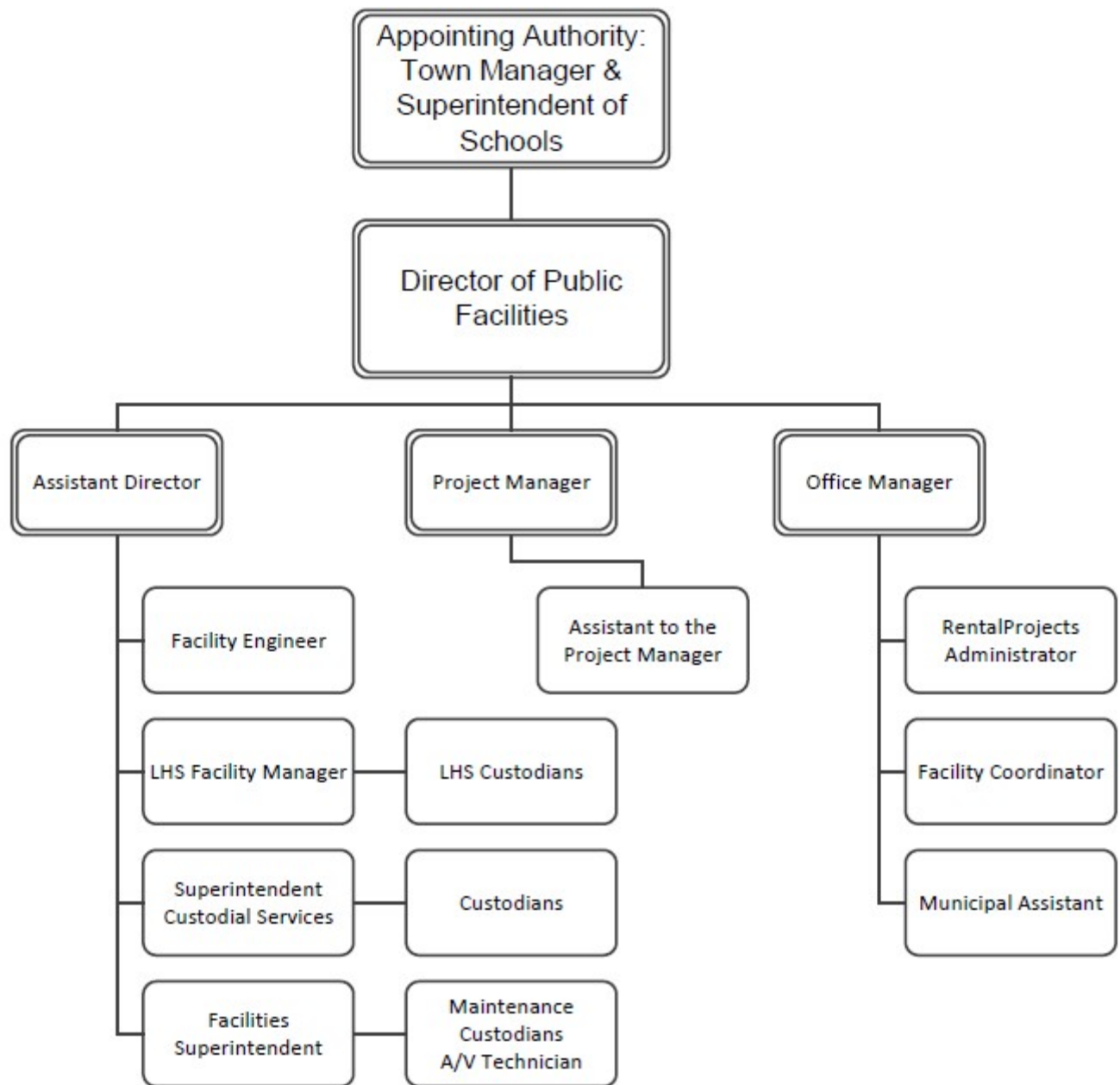


Mission: The mission of the Department of Public Facilities is to manage the efficient operation and maintenance of Town buildings, preserve the facility and equipment assets of the Town, and plan and implement capital improvements. This mission is accomplished by establishing appropriate services in support of building users, fostering continuous improvement in delivery of services, and by establishing a five-year capital plan in collaboration with the Permanent Building Committee and other Town committees.

Budget Overview: The Department of Public Facilities (DPF) is responsible for the coordination and care of all Town-owned buildings inclusive of those under the control of the Town Manager, Library Trustees and School Committee. The primary areas of service include custodial care and cleaning, building maintenance and repair (including preventative maintenance), utilities, and landscaping and grounds (school buildings only). The DPF administrative staff develops and implements the maintenance programs that provide services for the Town buildings. In addition, the DPF Capital Budget and the Building Rental Revolving Fund are managed by DPF staff.

Departmental Initiatives:

1. Continue renovations, additions and new construction at schools in support of increasing enrollments.
2. Support implementation of Town Public Safety projects.
3. Review results of Master Plan survey and incorporate into future capital plans.
4. Implement other priority projects.



2600 Public Facilities

Authorized/Appropriated Staffing

| School Facilities 2610 | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|------------------------|---------------|---------------|---------------|----------------|
| Maintenance Staff* | 11 | 12 | 12 | 12 |
| Custodian | 54 | 54 | 54 | 54 |
| Subtotal FTE | 65 | 66 | 66 | 66 |

| Municipal Facilities 2620 | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---------------------------|---------------|---------------|---------------|----------------|
| Custodian** | 10 | 12 | 12 | 12 |
| Subtotal FTE | 10 | 12 | 12 | 12 |

| Shared Facilities 2630 | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--|---------------|---------------|---------------|----------------|
| Director of Public Facilities | 1 | 1 | 1 | 1 |
| Assistant Director of Public Facilities | 1 | 1 | 1 | 1 |
| Superintendent of Custodial Services | 1 | 1 | 1 | 1 |
| Project Manager | 1 | 1 | 1 | 1 |
| Facility Superintendent | 1 | 1 | 1 | 1 |
| Facility Engineer | 1 | 1 | 1 | 1 |
| Event Manager | 1 | 1 | 1 | 1 |
| LHS Facility Manager | 1 | 1 | 1 | 1 |
| Office Manager | 1 | 1 | 1 | 1 |
| Admin. Asst. - Facility Coordinator | 1 | 1 | 1 | 1 |
| Admin. Asst. - Clerical/Rental Administrator | 1 | 1 | 1 | 1 |
| Municipal Assistant - Part time*** | 0.5 | 0.5 | 0.5 | 1 |
| Subtotal FTE | 11.5 | 11.5 | 11.5 | 12.0 |

| | | | | |
|------------------|-------------|-------------|-------------|-----------|
| Total FTE | 86.5 | 89.5 | 89.5 | 90 |
|------------------|-------------|-------------|-------------|-----------|

Notes:

* FY2021 includes 1.0 additional maintenance staff person to address an increasing work load due to expanding the town's building footprint over the past decade.

** FY2021 includes 2.0 additional staff for municipal custodians to absorb the contracted custodial expenses for the Town Office Building, Public Services Building, Cary Memorial Library and original Visitors Center with in-house staff, and expand coverage to include the Town Pool, Center Playground bathrooms and the new Visitors Center.

*** In FY2023, a program improvement requests revising the Municipal Assistant's responsibilities to reflect management of the 20-year capital plan database, and increasing the FTE from 0.5 to 1.0.

Budget Recommendations:

The FY2023 recommended All Funds Department of Public Facilities budget inclusive of the General Fund operating budget and the Building Rental Revolving Fund is \$13,254,533. The recommended budget is a \$531,774, or 4.18% increase from the FY2022 budget.

The Department of Public Facilities FY2023 recommended General Fund operating budget, inclusive of the Education Facilities, Municipal Facilities and Shared Facilities divisions, is \$12,669,307, which is a \$515,942, or 4.25% increase from the FY2022 General Fund budget.

The General Fund operating budget for Compensation is \$6,461,256, and reflects a \$282,542 or 4.57% increase, which provides contractually obligated and projected step increases and cost of living increases for the SEIU and AFSCME contracts that expired June 30, 2021. It also reflects a program improvement to enhance the role of the Management Assistant to manage the 20-year capital database, increasing the FTE from 0.5 to 1.0.

The General Fund operating budget for Expenses is \$6,208,051 and reflects a \$233,400, or 3.91% increase. This reflects an overall increase in the cost of cleaning materials and other supplies, as well as the cost of replacing two department vehicles with electric plug-ins.

For FY2023, Utilities are essentially level-funded. A project to add extensive solar panels to seven school buildings is currently underway, followed by the addition of batteries. The timing of both project phases is uncertain, as is the ultimate impact on electric bills. Staff recognize that there will be cost-savings once each phase is implemented, but the extent of the savings is unclear due to numerous unknown factors. There should be greater clarity during development of the FY2024 budget.

The FY2023 Facilities Department recommended Building Rental Revolving Fund budget is \$585,226, an increase of \$15,832 or 2.78%, which is attributable to increases in wages, staff overtime and benefits charged to this account.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|---|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Update Admin Role and Make Full-time | \$ 27,000 | \$ 16,796 | \$ 43,796 | \$ 27,000 | \$ 16,796 | \$ 43,796 | \$ — |
| Additional Maintenance Responsibilities | \$ 30,700 | \$ — | \$ 30,700 | \$ — | \$ — | \$ — | \$ 30,700 |
| Maintenance of Empty Facilities | \$ 25,000 | \$ — | \$ 25,000 | \$ — | \$ — | \$ — | \$ 25,000 |

Budget Summary - General Fund

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Tax Levy | \$11,075,948 | \$11,120,623 | \$ 12,132,153 | \$ 12,647,022 | \$ 514,869 | 4.24 % |
| PEG Special Revenue Fund | \$ 19,466 | \$ 20,310 | \$ 21,212 | \$ 22,285 | \$ 1,073 | 5.06 % |
| Total 2600 - Gen'l Fund | \$11,095,414 | \$11,140,933 | \$ 12,153,365 | \$ 12,669,307 | \$ 515,942 | 4.25 % |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Compensation | \$ 5,672,548 | \$ 5,588,376 | \$ 6,178,714 | \$ 6,461,256 | \$ 282,542 | 4.57 % |
| Expenses | \$ 5,422,866 | \$ 5,552,557 | \$ 5,974,651 | \$ 6,208,051 | \$ 233,400 | 3.91 % |
| Total 2600 - Gen'l Fund | \$11,095,414 | \$11,140,933 | \$ 12,153,365 | \$ 12,669,307 | \$ 515,942 | 4.25 % |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| 2610 - Education Facilities | \$ 7,938,774 | \$ 7,904,917 | \$ 8,534,697 | \$ 8,820,062 | \$ 285,365 | 3.34 % |
| 2620 - Municipal Facilities | \$ 1,987,953 | \$ 2,024,527 | \$ 2,388,449 | \$ 2,457,224 | \$ 68,775 | 2.88 % |
| 2630 - Shared Facilities | \$ 1,168,687 | \$ 1,211,489 | \$ 1,230,219 | \$ 1,392,021 | \$ 161,802 | 13.15 % |
| Total 2600 - Gen'l Fund | \$11,095,414 | \$11,140,933 | \$ 12,153,365 | \$ 12,669,307 | \$ 515,942 | 4.25 % |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Salaries & Wages | \$ 5,378,169 | \$ 5,372,219 | \$ 5,845,430 | \$ 6,115,199 | \$ 269,769 | 4.62 % |
| Overtime | \$ 294,379 | \$ 216,157 | \$ 333,284 | \$ 346,057 | \$ 12,773 | 3.83 % |
| <i>Personal Services</i> | <i>\$ 5,672,548</i> | <i>\$ 5,588,376</i> | <i>\$ 6,178,714</i> | <i>\$ 6,461,256</i> | <i>\$ 282,542</i> | <i>4.57 %</i> |
| Contractual Services | \$ 1,509,275 | \$ 1,501,518 | \$ 1,527,440 | \$ 1,568,250 | \$ 40,810 | 2.67 % |
| Utilities | \$ 3,122,259 | \$ 3,115,925 | \$ 3,503,751 | \$ 3,520,601 | \$ 16,850 | 0.48 % |
| Supplies | \$ 654,429 | \$ 809,520 | \$ 800,860 | \$ 868,700 | \$ 67,840 | 8.47 % |
| Small Capital | \$ 136,904 | \$ 125,594 | \$ 142,600 | \$ 250,500 | \$ 107,900 | 75.67 % |
| <i>Expenses</i> | <i>\$ 5,422,866</i> | <i>\$ 5,552,557</i> | <i>\$ 5,974,651</i> | <i>\$ 6,208,051</i> | <i>\$ 233,400</i> | <i>3.91 %</i> |
| Total 2600 - Gen'l Fund | \$11,095,414 | \$11,140,933 | \$ 12,153,365 | \$ 12,669,307 | \$ 515,942 | 4.25 % |

Budget Summary - Non-General Funds

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|
| Building Rental Revolving Fund | \$ 484,523 | \$ 32,591 | \$ 570,000 | \$ 586,000 | \$ 16,000 | 2.81 % |
| Total 2600 - Non-Gen'l Fund | \$ 484,523 | \$ 32,591 | \$ 570,000 | \$ 586,000 | \$ 16,000 | 2.81 % |

*PEG revenues are tied to spending. For overall revenue, see Select Board budget presentation.

| Appropriations Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|-------------------|-----------------|----------------------|--------------------|------------------|------------------|
| Building Rental Revolving Fund | \$ 445,126 | \$ 8,458 | \$ 569,394 | \$ 585,226 | \$ 15,832 | 2.78 % |
| Personal Services | \$ 225,049 | \$ 2,333 | \$ 353,294 | \$ 368,054 | \$ 14,760 | 4.18 % |
| Expenses | \$ 205,350 | \$ 6,125 | \$ 198,000 | \$ 198,000 | \$ — | — % |
| Benefits | \$ 14,728 | \$ — | \$ 18,100 | \$ 19,172 | \$ 1,072 | 5.92 % |
| Total 2600 - Non-Gen'l Fund | \$ 445,126 | \$ 8,458 | \$ 569,394 | \$ 585,226 | \$ 15,832 | 2.78 % |

Budget Summary - All Funds

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Compensation | \$ 5,897,596 | \$ 5,590,709 | \$ 6,532,008 | \$ 6,829,310 | \$ 297,302 | 4.55 % |
| Expenses | \$ 5,628,216 | \$ 5,558,682 | \$ 6,172,651 | \$ 6,406,051 | \$ 233,400 | 3.78 % |
| Benefits | \$ 14,728 | \$ — | \$ 18,100 | \$ 19,172 | \$ 1,072 | 5.92 % |
| Total 2600 (All Funds) | \$11,540,540 | \$11,149,391 | \$ 12,722,759 | \$ 13,254,533 | \$ 531,774 | 4.18 % |

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Section V: Program 3000: Public Works

This section includes detailed information about the FY2023 Operating Budget & Financing Plan for the Department of Public Works (DPW). It includes:

- 3000-3500 DPW Summary V-3
- 3100 DPW Administration & Engineering V-8
- 3200 Highway V-12
- 3300 Public Grounds V-16
- 3400 Environmental Services V-20
- 3600 Water Enterprise V-24
- 3700 Sewer Enterprise V-28

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Mission: The Department of Public Works is a professional team dedicated to enhancing the quality of life in Lexington and supporting the Town's core values. We make every effort to maximize the efficient, effective use of our resources in the support, maintenance and upkeep of the infrastructure, public lands and programs. We are committed to public safety and providing prompt, courteous, quality service to our customers and each other.

Budget Overview: The Public Works program contains all DPW divisions. The services provided by Public Works include the maintenance, repair, and construction of the Town's infrastructure, roads, equipment, and property. The Department of Public Works is responsible for 284 lane miles of road, 154 miles of water mains, 34 miles of trunk sewer lines, 119 miles of street sewer lines, 4,700 catch basins, 160 pieces of equipment, 9 parks, 4 cemeteries, and the 5.5 mile-long Jack Eddison Memorial Bikeway. Public Works supports Town functions through the maintenance and repair of facilities such as playing fields, and the bikeway. This program also includes the Town's water and sewer operations, which function as separate enterprise funds and are shown in separate enterprise budgets.

Along with the day-to-day duties of DPW staff, many are also actively involved or work with Town committees. Those committees include the Permanent Building Committee, the Tree Committee, the Center Committee, the Water and Sewer Abatement Board, the Capital Expenditures Committee, the Appropriation Committee, the Transportation Safety Group, the Bicycle Advisory Committee, the Commission on Disabilities, the Monuments and Memorials Committee, the Sustainability Committee, the Noise Advisory Group and the Recreation Committee. These, and other staff, also work collaboratively on internal committees and teams.

Departmental Initiatives:

1. Coordinate Administrative and Operations functions to maintain a functionally efficient organization.
2. Continue working with Town committees to ensure sustained engagement of residents.
3. Ensure staff accessibility and participation for training and advancement opportunities.

Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--|-------------------|-------------------|-------------------|-------------------|
| Department of Public Works - General Fund | | | | |
| Director of Public Works | 1 | 1 | 1 | 1 |
| Manager of Operations | 1 | 1 | 1 | 1 |
| Management Analyst* | 0.6 | 0.6 | 0.6 | 1 |
| Office Manager | 1 | 1 | 1 | 1 |
| Department Account Assistant** | 2.6 | 2.6 | 2.6 | 2.6 |
| Department Assistant - Pub Grounds/ Cemetery | 1 | 1 | 1 | 1 |
| Department Lead Assistant | 1 | 1 | 1 | 1 |
| Town Engineer | 1 | 1 | 1 | 1 |
| Assistant Town Engineer | 1 | 1 | 1 | 1 |
| Senior Civil Engineer*** | 2 | 3 | 3 | 3 |
| Engineering Assistant*** | 4 | 3 | 3 | 3 |
| Engineering Aide | 0.7 | 0.7 | 0.7 | 0.7 |
| Supt. of Equipment, Highways & Drains | 1 | 1 | 1 | 1 |
| Highway Foreman | 1 | 1 | 1 | 1 |
| Crew Chief | 6 | 6 | 6 | 6 |
| Heavy Equipment Operators | 16 | 16 | 16 | 16 |
| Information Coordinator | 1 | 1 | 1 | 1 |
| Seasonal Laborer | 1.7 | 1.7 | 1.7 | 1.1 |
| Equipment Foreman | 1 | 1 | 1 | 1 |
| Mechanic | 4 | 4 | 4 | 4 |
| Superintendent of Public Grounds | 1 | 1 | 1 | 1 |
| Leadmen | 7 | 7 | 7 | 7 |
| Arborists | 3 | 3 | 3 | 3 |
| Cemetery Foreman | 1 | 1 | 1 | 1 |
| Department of Public Works - Compost Revolving Fund | | | | |
| Superintendent of Environmental Services | 1 | 1 | 1 | 1 |
| Compost Facility Foreman | 1 | 1 | 1 | 1 |
| Leadman**** | — | — | — | 1 |
| Heavy Equipment Operator**** | 2 | 2 | 2 | 1 |
| Seasonal Laborer | 0.7 | 0.7 | 0.7 | 0.7 |
| Total FTE | 65.3 | 65.3 | 65.3 | 65.1 |
| Total FT/PT | 62 FT/8 PT | 62 FT/8 PT | 62 FT/8 PT | 63 FT/5 PT |

Explanatory Notes

*The FY2023 budget recommends transitioning the DPW Management Analyst to full-time as a program improvement.

**Full-time Dept. Account Assistant shown as 0.6 from General Fund; 0.4 is charged to Water/Sewer Enterprise.

***A program improvement in FY2021 promoted an Engineering Assistant to Senior Engineer.

****The FY2023 budget recommends upgrading a Heavy Equipment Operator to a Leadman as a program improvement.

Budget Recommendations:

The FY2023 recommended All Funds Public Works budget inclusive of the General Fund operating budget and the Burial Containers, Compost Operations, Lexington Tree Fund, Minuteman Household Hazardous Waste, and Regional Cache - Hartwell Avenue revolving funds is \$13,279,640. The recommended budget is a \$535,342, or 4.20% increase from the FY2022 budget.

The FY2023 recommended Public Works General Fund operating budget is \$11,968,145, which is a \$440,002, or 3.82% increase from the FY2022 General Fund budget.

The General Fund operating budget for Compensation is \$4,877,999, and reflects a \$182,799 or 3.89% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments, as well as the inclusion of a program improvement to expand the hours of the DPW Management analyst.

The General Fund operating budget for Expenses is \$7,090,146 and reflects a \$257,203 or 3.76% increase.

The combined FY2023 recommended Revolving Fund budgets (see page V-7) are \$1,311,495 which is a \$95,340 or 7.84% increase from the FY2022 budget, which includes a position upgrade at the Hartwell Avenue compost site.

Please see the division sections on the following pages for a detailed explanation of the FY2023 budget changes.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|---|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Transition PT Compost Site Attendant to FT | \$ 32,429 | \$ 16,874 | \$ 49,303 | \$ — | \$ — | \$ — | \$ 49,303 |
| W-6 position upgrade | \$ 2,496 | \$ — | \$ 2,496 | \$ 2,496 | \$ — | \$ 2,496 | \$ — |
| Transition DPW Management Analyst from PT to FT | \$ 24,121 | \$ 350 | \$ 24,471 | \$ 24,121 | \$ 350 | \$ 24,471 | \$ — |
| Assistant Superintendent for Public Grounds | \$ 83,895 | \$ 17,621 | \$ 101,516 | \$ — | \$ — | \$ — | \$ 101,516 |

3000-3500 DPW Summary

Budget Summary:

| Funding Sources (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---------------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Tax Levy | \$ 8,314,553 | \$ 9,344,507 | \$ 10,603,745 | \$ 10,981,494 | \$ 377,749 | 3.56 % |
| Enterprise Funds (Indirects) | \$ 595,723 | \$ 624,564 | \$ 519,198 | \$ 614,351 | \$ 95,153 | 18.33 % |
| Fees, Charges and Available Funds | | | | | | |
| Parking Fund | \$ 72,900 | \$ 72,900 | \$ 72,900 | \$ — | \$ (72,900) | -100.00 % |
| Cemetery Trust | \$ 90,038 | \$ 72,925 | \$ 50,000 | \$ 70,000 | \$ 20,000 | 40.00 % |
| Cemetery Prep Fees | \$ 272,443 | \$ 237,123 | \$ 230,000 | \$ 250,000 | \$ 20,000 | 8.70 % |
| Misc. Charges for Service | \$ 197 | \$ 114 | \$ 200 | \$ 200 | \$ — | — % |
| Licenses & Permits | \$ 129,145 | \$ 143,175 | \$ 52,100 | \$ 52,100 | \$ — | — % |
| Total 3100-3500 DPW Gen'l Fund | \$ 9,474,999 | \$10,495,308 | \$ 11,528,143 | \$ 11,968,145 | \$ 440,002 | 3.82 % |

| Appropriation Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Compensation | \$ 4,165,247 | \$ 4,746,049 | \$ 4,695,200 | \$ 4,877,999 | \$ 182,799 | 3.89 % |
| Expenses | \$ 5,309,752 | \$ 5,749,259 | \$ 6,832,943 | \$ 7,090,146 | \$ 257,203 | 3.76 % |
| Total 3100-3500 DPW Gen'l Fund | \$ 9,474,999 | \$10,495,308 | \$ 11,528,143 | \$ 11,968,145 | \$ 440,002 | 3.82 % |

| Program Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Total 3110 Administration | \$ 655,805 | \$ 660,102 | \$ 693,469 | \$ 738,687 | \$ 45,218 | 6.52 % |
| Total 3120 Town Engineering | \$ 915,241 | \$ 930,378 | \$ 1,015,497 | \$ 1,080,193 | \$ 64,696 | 6.37 % |
| Total 3130 Street Lighting | \$ 237,224 | \$ 123,287 | \$ 228,200 | \$ 203,500 | \$ (24,700) | -10.82 % |
| Total 3210 Highway | \$ 1,209,584 | \$ 1,305,787 | \$ 1,636,717 | \$ 1,695,756 | \$ 59,039 | 3.61 % |
| Total 3220 Equipment Maint. | \$ 731,408 | \$ 753,403 | \$ 840,179 | \$ 921,051 | \$ 80,872 | 9.63 % |
| Total 3230 Snow Removal | \$ 974,463 | \$ 1,447,960 | \$ 1,522,967 | \$ 1,585,694 | \$ 62,727 | 4.12 % |
| Total 3310 Parks | \$ 1,261,614 | \$ 1,418,322 | \$ 1,436,075 | \$ 1,545,793 | \$ 109,718 | 7.64 % |
| Total 3320 Forestry | \$ 409,077 | \$ 525,200 | \$ 552,426 | \$ 523,391 | \$ (29,035) | -5.26 % |
| Total 3330 Cemetery | \$ 299,721 | \$ 344,843 | \$ 393,778 | \$ 405,634 | \$ 11,856 | 3.01 % |
| Total 3410 Refuse Collection | \$ 924,683 | \$ 952,423 | \$ 980,996 | \$ 1,010,426 | \$ 29,430 | 3.00 % |
| Total 3420 Recycling | \$ 1,213,048 | \$ 1,265,853 | \$ 1,478,817 | \$ 1,468,095 | \$ (10,722) | -0.73 % |
| Total 3430 Refuse Disposal | \$ 643,130 | \$ 767,750 | \$ 749,022 | \$ 789,925 | \$ 40,903 | 5.46 % |
| Total 3100-3500 DPW Gen'l Fund | \$ 9,474,999 | \$10,495,308 | \$ 11,528,143 | \$ 11,968,145 | \$ 440,002 | 3.82 % |

| Object Code Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Salaries & Wages | \$ 3,811,785 | \$ 3,975,546 | \$ 4,254,374 | \$ 4,422,844 | \$ 168,470 | 3.96 % |
| Prior Year Retro Payments | \$ — | \$ 191,964 | \$ — | \$ — | \$ — | — % |
| Overtime | \$ 353,462 | \$ 578,539 | \$ 440,826 | \$ 455,155 | \$ 14,329 | 3.25 % |
| <i>Personal Services</i> | <i>\$ 4,165,247</i> | <i>\$ 4,554,085</i> | <i>\$ 4,695,200</i> | <i>\$ 4,877,999</i> | <i>\$ 182,799</i> | <i>3.89 %</i> |
| Contractual Services | \$ 4,047,039 | \$ 4,372,826 | \$ 5,077,985 | \$ 5,189,746 | \$ 111,761 | 2.20 % |
| Utilities | \$ 358,913 | \$ 399,893 | \$ 459,008 | \$ 516,400 | \$ 57,392 | 12.50 % |
| Supplies | \$ 832,584 | \$ 939,898 | \$ 1,199,450 | \$ 1,280,500 | \$ 81,050 | 6.76 % |
| Small Capital | \$ 71,216 | \$ 36,641 | \$ 96,500 | \$ 103,500 | \$ 7,000 | 7.25 % |
| <i>Expenses</i> | <i>\$ 5,309,752</i> | <i>\$ 5,749,259</i> | <i>\$ 6,832,943</i> | <i>\$ 7,090,146</i> | <i>\$ 257,203</i> | <i>3.76 %</i> |
| Total 3100-3500 DPW Gen'l Fund | \$ 9,474,999 | \$10,303,345 | \$ 11,528,143 | \$ 11,968,145 | \$ 440,002 | 3.82 % |

Budget Summary - Revolving Funds*

| Funding Sources (Non-General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|-------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Regional Cache - Hartwell Avenue | \$ 10,659 | \$ 9,248 | \$ 50,000 | \$ 50,000 | \$ — | — % |
| Lexington Tree Fund | \$ 86,450 | \$ 54,120 | \$ 70,000 | \$ 75,000 | \$ 5,000 | 7.14 % |
| Burial Containers | \$ 44,705 | \$ 35,680 | \$ 50,000 | \$ 60,000 | \$ 10,000 | 20.00 % |
| Compost Operations | \$ 673,846 | \$ 804,309 | \$ 790,000 | \$ 855,000 | \$ 65,000 | 8.23 % |
| Minuteman Household Hazardous Waste | \$ 153,800 | \$ 206,854 | \$ 260,000 | \$ 260,000 | \$ — | — % |
| Total 3100-3500 DPW Rev. Funds | \$ 969,461 | \$ 1,110,211 | \$ 1,220,000 | \$ 1,300,000 | \$ 80,000 | 6.56 % |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriation Summary (Non-General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|-------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Regional Cache - Hartwell Avenue (3110) | | | | | | |
| Expenses | \$ 10,550 | \$ 1,883 | \$ 50,000 | \$ 50,000 | \$ — | — % |
| Tree Revolving Fund (3320) | | | | | | |
| Expenses | \$ 887 | \$ 23,450 | \$ 70,000 | \$ 75,000 | \$ 5,000 | 7.14 % |
| Burial Containers Revolving Fund (3330) | | | | | | |
| Expenses | \$ 29,690 | \$ 21,815 | \$ 50,000 | \$ 60,000 | \$ 10,000 | 20.00 % |
| Compost Operations Rev. Fund (3420) | | | | | | |
| | \$ 824,841 | \$ 889,409 | \$ 786,155 | \$ 866,495 | \$ 80,340 | 10.22 % |
| Compensation | \$ 325,354 | \$ 352,623 | \$ 357,167 | \$ 361,082 | \$ 3,915 | 1.10 % |
| Expenses | \$ 211,938 | \$ 245,515 | \$ 188,500 | \$ 194,000 | \$ 5,500 | 2.92 % |
| Benefits | \$ 70,246 | \$ 85,714 | \$ 77,487 | \$ 83,938 | \$ 6,451 | 8.33 % |
| Debt | \$ 217,303 | \$ 205,557 | \$ 163,001 | \$ 227,475 | \$ 64,474 | 39.55 % |
| Minuteman Household Hazardous Waste (3420) | | | | | | |
| Expenses | \$ 133,954 | \$ 255,449 | \$ 260,000 | \$ 260,000 | \$ — | — % |
| Total 3100-3500 DPW Rev. Funds | \$ 999,920 | \$ 1,192,004 | \$ 1,216,155 | \$ 1,311,495 | \$ 95,340 | 7.84 % |

Budget Summary - All Funds

| Appropriation Summary (All Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|---------------------|---------------------|----------------------|----------------------|-------------------|------------------|
| Compensation | \$ 4,490,600 | \$ 5,098,672 | \$ 5,052,367 | \$ 5,239,081 | \$ 186,714 | 3.70 % |
| Expenses | \$ 5,696,770 | \$ 6,297,370 | \$ 7,451,443 | \$ 7,729,146 | \$ 277,703 | 3.73 % |
| Benefits (Revolving Funds) | \$ 70,246 | \$ 85,714 | \$ 77,487 | \$ 83,938 | \$ 6,451 | 8.33 % |
| Debt Service (Revolving Fund) | \$ 217,303 | \$ 205,557 | \$ 163,001 | \$ 227,475 | \$ 64,474 | 39.55 % |
| Total 3100-3500 DPW All Funds | \$10,474,919 | \$11,687,313 | \$ 12,744,298 | \$ 13,279,640 | \$ 535,342 | 4.20 % |

Mission: This element of the budget provides executive direction and leadership to all aspects of the Department of Public Works (DPW) by promoting best management practices, administering Town policies and providing engineering support to other DPW divisions and Town departments.

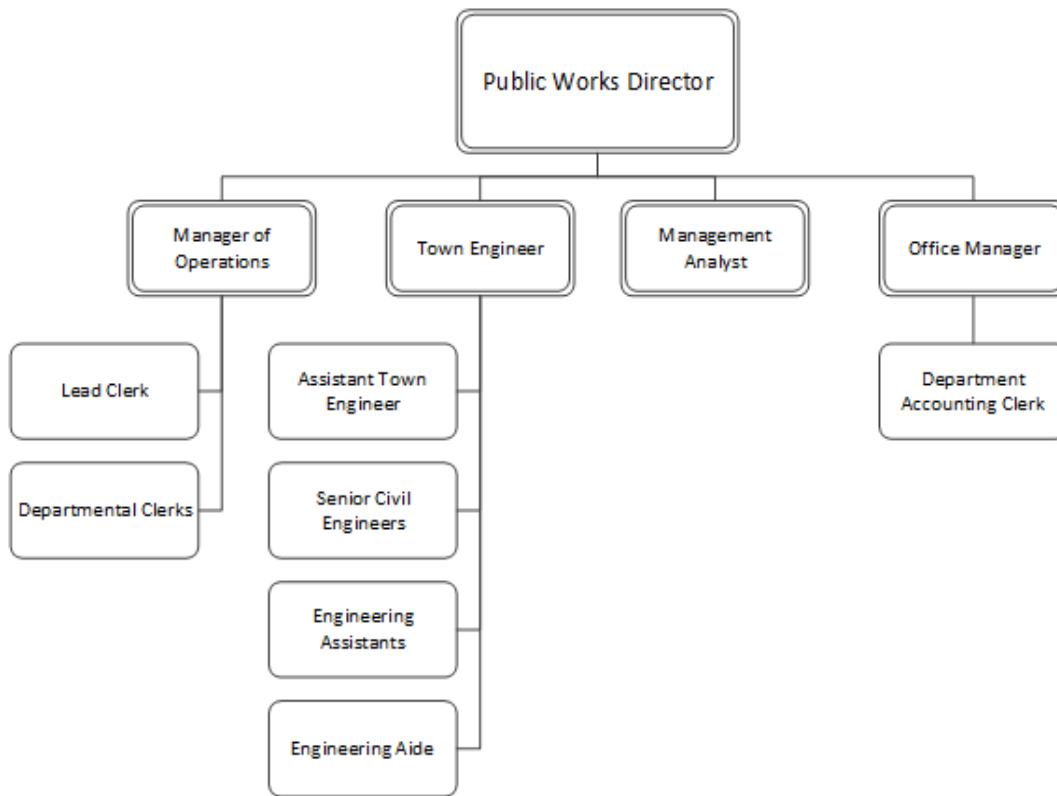
Budget Overview:

DPW Administration includes Administration, Operations, Engineering and Street Lighting. DPW Administration Management staff plan, supervise, coordinate, schedule and direct the department's activities. Staff are responsible for preparing budgets, monitoring expenditures, developing bid specifications for DPW procurements, responding to citizens' questions and concerns, evaluating work performance, performing inspections, managing projects and scheduling work assignments.

Staff also support various committees including the Permanent Building Committee, the Center Committee, the Capital Expenditures Committee, the Conservation Committee, the Energy Committee, the Bicycle Advisory Committee, the Tree Committee, and Sustainable Lexington.

Division Initiatives:

1. Continue use of work order system to ensure efficient and effective customer response.
2. Collaborate across divisions to focus on reducing paper use throughout the organization and look for digital options for use and storage.
3. Maintain and create a diverse and talented workforce by utilizing improved employee recruitment processes and continuing to promote professional growth and development of staff.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---|-------------------|-------------------|-------------------|-------------------|
| Element 3110: DPW Administration | | | | |
| Director of Public Works | 1 | 1 | 1 | 1 |
| Manager of Operations | 1 | 1 | 1 | 1 |
| Management Analyst* | 0.6 | 0.6 | 0.6 | 1 |
| Office Manager | 1 | 1 | 1 | 1 |
| Department Lead Assistant | 1 | 1 | 1 | 1 |
| Department Account Assistant** | 2.6 | 2.6 | 2.6 | 2.6 |
| Subtotal FTE | 7.2 | 7.2 | 7.2 | 7.6 |
| Subtotal FT/PT | 7 FT/1 PT | 7 FT/1 PT | 7 FT/1 PT | 8 FT/0 PT |
| Element 3120: Engineering | | | | |
| Town Engineer | 1 | 1 | 1 | 1 |
| Assistant Town Engineer | 1 | 1 | 1 | 1 |
| Senior Civil Engineer*** | 2 | 3 | 3 | 3 |
| Engineering Assistant*** | 4 | 3 | 3 | 3 |
| Engineering Aide | 0.7 | 0.7 | 0.7 | 0.7 |
| Subtotal FTE | 8.7 | 7.7 | 8.7 | 8.7 |
| Subtotal FT/PT | 8 FT/1 PT | 8 FT/1 PT | 8 FT/1 PT | 8 FT/1 PT |
| Total FTE | 15.9 | 14.9 | 15.9 | 15.9 |
| Total FT/PT | 15 FT/2 PT | 15 FT/2 PT | 15 FT/2 PT | 16 FT/1 PT |

* 1 FT Assistant split between DPW, Water & Sewer

** FY2021 reflects a program improvement request to promote an Engineering Assistant to Senior Engineer.

Budget Recommendations:

The FY2023 recommended All Funds Administration and Engineering budget, inclusive of the General Fund operating budgets for Administration, Engineering and Street Lighting, and the Regional Cache Revolving Fund which funds the operation of the cache - a repository of emergency equipment at the Hartwell Avenue compost facility for use by contributing member communities - is \$2,072,380. The recommended budget is a \$85,214 or 4.29% increase from the FY2022 budget.

The recommended FY2023 Administration and Engineering General Fund operating budget is \$2,022,380 which is a \$85,214, or 4.40% increase from FY2022. Of this amount, \$1,581,480 is for Compensation and reflects a \$48,514 or 3.16% increase, which is attributable to the cost of contractually obligated step increases, as well as a program improvement to make the DPW Management Analyst full-time. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended FY2023 Administration and Engineering General Fund operating budget for Expenses is \$440,900 and reflects a \$36,700, or 9.08% increase. This is a net change, with increases of \$61,000 or 42.33% in Engineering to reflect the cost of developing the Stormwater enterprise proposal among other projects, offset by decreases of \$(24,700) or (11.32)% in the Street Lighting budget, realizing savings in electricity and maintenance expenses due to the LED Street Light conversion.

The FY2023 recommended Regional Cache Revolving Fund request is funded at \$50,000, which is level-funded from FY2022. The fund collects and spends fees paid by member towns for borrowing the equipment.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|---|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Transition DPW Management Analyst from PT to FT | \$ 24,121 | \$ 350 | \$ 24,471 | \$ 24,121 | \$ 350 | \$ 24,471 | \$ — |

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Tax Levy | \$ 1,260,500 | \$ 1,131,593 | \$ 1,440,202 | \$ 1,521,603 | \$ 81,401 | 5.65% |
| Enterprise Funds (Indirects) | \$ 416,727 | \$ 437,185 | \$ 442,964 | \$ 448,477 | \$ 5,513 | 1.24% |
| Fees & Charges | | | | | | |
| Charges for Service | \$ 197 | \$ 114 | \$ 200 | \$ 200 | \$ — | —% |
| Licenses & Permits | \$ 129,145 | \$ 143,175 | \$ 52,100 | \$ 52,100 | \$ — | —% |
| Parking Fund | \$ 1,700 | \$ 1,700 | \$ 1,700 | \$ — | \$ (1,700) | -100.00% |
| Total 3100 - General Fund | \$ 1,808,270 | \$ 1,713,767 | \$ 1,937,166 | \$ 2,022,380 | \$ 85,214 | 4.40% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Compensation | \$ 1,413,455 | \$ 1,439,150 | \$ 1,532,966 | \$ 1,581,480 | \$ 48,514 | 3.16% |
| Expenses | \$ 394,815 | \$ 274,617 | \$ 404,200 | \$ 440,900 | \$ 36,700 | 9.08% |
| Total 3100 - General Fund | \$ 1,808,270 | \$ 1,713,767 | \$ 1,937,166 | \$ 2,022,380 | \$ 85,214 | 4.40% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Total 3110 DPW Administration | \$ 655,805 | \$ 660,102 | \$ 693,469 | \$ 738,687 | \$ 45,218 | 6.52% |
| Total 3120 Engineering | \$ 915,241 | \$ 930,378 | \$ 1,015,497 | \$ 1,080,193 | \$ 64,696 | 6.37% |
| Total 3130 Street Lighting | \$ 237,224 | \$ 123,287 | \$ 228,200 | \$ 203,500 | \$ (24,700) | -10.82% |
| Total 3100 - General Fund | \$ 1,808,270 | \$ 1,713,767 | \$ 1,937,166 | \$ 2,022,380 | \$ 85,214 | 4.40% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Salaries & Wages | \$ 1,410,811 | \$ 1,428,923 | \$ 1,519,106 | \$ 1,567,491 | \$ 48,385 | 3.19% |
| Overtime | \$ 2,644 | \$ 10,227 | \$ 13,860 | \$ 13,989 | \$ 129 | 0.93% |
| <i>Personal Services</i> | <i>\$ 1,413,455</i> | <i>\$ 1,439,150</i> | <i>\$ 1,532,966</i> | <i>\$ 1,581,480</i> | <i>\$ 48,514</i> | <i>3.16%</i> |
| Contractual Services | \$ 246,370 | \$ 170,346 | \$ 228,400 | \$ 285,300 | \$ 56,900 | 24.91% |
| Utilities | \$ 130,019 | \$ 95,096 | \$ 112,400 | \$ 102,400 | \$ (10,000) | -8.90% |
| Supplies | \$ 18,165 | \$ 9,131 | \$ 62,400 | \$ 52,200 | \$ (10,200) | -16.35% |
| Small Capital | \$ 261 | \$ 44 | \$ 1,000 | \$ 1,000 | \$ — | —% |
| <i>Expenses</i> | <i>\$ 394,815</i> | <i>\$ 274,617</i> | <i>\$ 404,200</i> | <i>\$ 440,900</i> | <i>\$ 36,700</i> | <i>9.08%</i> |
| Total 3100 - General Fund | \$ 1,808,270 | \$ 1,713,767 | \$ 1,937,166 | \$ 2,022,380 | \$ 85,214 | 4.40% |

Budget Summary - Revolving Funds*

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------------|------------------|-----------------|----------------------|--------------------|-----------------|------------------|
| Regional Cache - Hartwell Ave. | \$ 10,659 | \$ 9,248 | \$ 50,000 | \$ 50,000 | \$ — | —% |
| Total 3100 - Revolving Funds | \$ 10,659 | \$ 9,248 | \$ 50,000 | \$ 50,000 | \$ — | —% |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|------------------|-----------------|----------------------|--------------------|-----------------|------------------|
| Regional Cache - Hartwell Ave. | | | | | | |
| Expenses | \$ 10,550 | \$ 1,883 | \$ 50,000 | \$ 50,000 | \$ — | —% |
| Total 3100 - Revolving Funds | \$ 10,550 | \$ 1,883 | \$ 50,000 | \$ 50,000 | \$ — | —% |

Budget Summary - All Funds

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Compensation | \$ 1,413,455 | \$ 1,439,150 | \$ 1,532,966 | \$ 1,581,480 | \$ 48,514 | 3.16% |
| Expenses | \$ 405,365 | \$ 276,499 | \$ 454,200 | \$ 490,900 | \$ 36,700 | 8.08% |
| Total 3100 - All Funds | \$ 1,818,820 | \$ 1,715,650 | \$ 1,987,166 | \$ 2,072,380 | \$ 85,214 | 4.29% |

Mission: The Highway Division maintains the town streets, sidewalks and stormwater infrastructure, providing for the safe movement of vehicular and pedestrian traffic. The Highway Division performs minor construction repairs, snow and ice operations for roadways and sidewalks, maintains all traffic signage, traffic markings and supervises contractual service providers that perform repairs, cleaning and maintenance work. In addition, the Equipment Maintenance Division ensures the Town's fleet is operational and well maintained by performing repairs, preventive maintenance and managing the fuel management program.

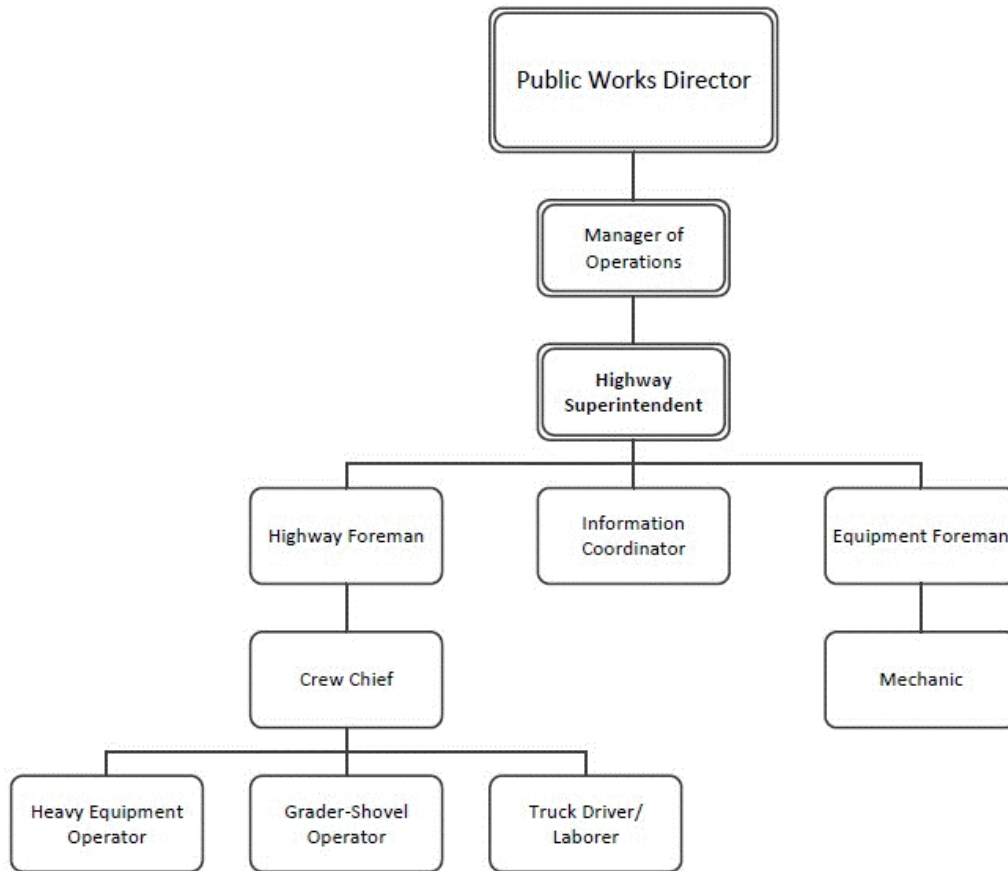
Budget Overview: The Highway Division includes Highway Maintenance, Equipment Maintenance and Snow Removal.

- Highway Maintenance is responsible for all public streets, sidewalks, town parking lots, drainage infrastructure and brooks, performing minor construction repairs, as well as maintaining all traffic signage and traffic markings.
- Equipment Maintenance is responsible for the repair and preventive maintenance of 160 vehicles, rolling stock and equipment.
- Snow Removal is responsible for removing snow and treating 155 miles of roads and 62 miles of sidewalks.

The Highway Division staff works with and provides support to the Sidewalk and Center Committees.

Division Initiatives:

1. Continue with the repair and replacement of sidewalks based on the 2020 BETA sidewalk assessment report.
2. Continue with MS4 permitting requirements including street sweeping, catch basin cleaning, culvert cleaning and brook cleaning.
3. Take proactive measures to clean and repair catch basins townwide.
4. Provide timely and efficient response to road hazards that arise on Town roads.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--|--------------------------|--------------------------|--------------------------|---------------------------|
| Element 3210: Highway Maintenance | | | | |
| Supt. of Equipment, Highways & Drains | 1 | 1 | 1 | 1 |
| Highway Foreman | 1 | 1 | 1 | 1 |
| Crew Chief | 2 | 2 | 2 | 2 |
| Leadman | 2 | 2 | 2 | 2 |
| Shovel Operator | 1 | 1 | 1 | 1 |
| Heavy Equipment Operator | 5 | 5 | 5 | 5 |
| Information Coordinator | 1 | 1 | 1 | 1 |
| Seasonal Laborer | 0.5 | 0.5 | 0.5 | 0.5 |
| Subtotal FTE | 13.5 | 13.5 | 13.5 | 13.5 |
| Subtotal FT/PT | 13 FT/1 PT | 13 FT/1 PT | 13 FT/1 PT | 13 FT/1 PT |
| Element 3220: Equipment Maintenance | | | | |
| Equipment Foreman | 1 | 1 | 1 | 1 |
| Mechanic | 4 | 4 | 4 | 4 |
| Subtotal FTE | 5 | 5 | 5 | 5 |
| Subtotal FT/PT | 5 FT/0 PT | 5 FT/0 PT | 5 FT/0 PT | 5 FT/0 PT |
| Total FTE | 18.5 | 18.5 | 18.5 | 18.5 |
| Total FT/PT | 18 FT/1 PT | 18 FT/1 PT | 18 FT/1 PT | 18 FT/1 PT |

Budget Recommendations:

The FY2023 recommended Highway budget inclusive of the Highway Maintenance, Equipment Maintenance and Snow Removal divisions is \$4,202,501. The recommended budget is a \$202,638, or 5.07%, increase from the FY2022 budget.

The budget for Compensation is \$1,536,201, and reflects an increase of \$41,046 or 2.75%, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the contract with Public Works staff.

The budget for Expenses is \$2,666,300 and reflects a \$161,592 or 6.45% increase which includes an anticipated \$56,000 increase (23.4%) in the cost of gasoline and diesel fuel due to current market conditions, as well as inflationary increases in supplies and materials across the division. The guardrail replacement program started in FY2020, and the bicycle sharerow program initiated in FY2018, both continue in FY2023.

Program Improvement Requests:

None requested.

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|------------------------------|--------------------|--------------------|---------------------|---------------------|-------------------|------------------|
| Tax Levy | \$2,756,367 | \$3,342,711 | \$ 3,852,429 | \$ 4,133,590 | \$ 281,161 | 7.30% |
| Enterprise Funds (Indirects) | \$ 87,888 | \$ 93,240 | \$ 76,234 | \$ 68,911 | \$ (7,323) | -9.61% |
| Fees & Charges | | | | | | |
| Parking Fund | \$ 71,200 | \$ 71,200 | \$ 71,200 | \$ — | \$ (71,200) | -100.00% |
| Total 3200 Highway | \$2,915,455 | \$3,507,151 | \$ 3,999,863 | \$ 4,202,501 | \$ 202,638 | 5.07% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------|--------------------|--------------------|----------------------|---------------------|-------------------|------------------|
| Compensation | \$1,347,861 | \$1,601,662 | \$ 1,495,155 | \$ 1,536,201 | \$ 41,046 | 2.75% |
| Expenses | \$1,567,594 | \$1,905,489 | \$ 2,504,708 | \$ 2,666,300 | \$ 161,592 | 6.45% |
| Total 3200 Highway | \$2,915,455 | \$3,507,151 | \$ 3,999,863 | \$ 4,202,501 | \$ 202,638 | 5.07% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|--------------------|--------------------|----------------------|---------------------|-------------------|------------------|
| Total 3210 Highway Maintenance | \$1,209,584 | \$1,305,787 | \$ 1,636,717 | \$ 1,695,756 | \$ 59,039 | 3.61% |
| Total 3220 Equipment Maintenance | \$ 731,408 | \$ 753,403 | \$ 840,179 | \$ 921,051 | \$ 80,872 | 9.63% |
| Total 3230 Snow Removal | \$ 974,463 | \$1,447,960 | \$ 1,522,967 | \$ 1,585,694 | \$ 62,727 | 4.12% |
| Total 3200 Highway | \$2,915,455 | \$3,507,151 | \$ 3,999,863 | \$ 4,202,501 | \$ 202,638 | 5.07% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------|--------------------|--------------------|----------------------|---------------------|-------------------|------------------|
| Salaries & Wages | \$1,099,287 | \$1,124,698 | \$ 1,191,917 | \$ 1,222,877 | \$ 30,960 | 2.60% |
| Prior Year Retro Payments | \$ — | \$ 84,899 | \$ — | \$ — | \$ — | —% |
| Overtime | \$ 248,574 | \$ 392,064 | \$ 303,238 | \$ 313,324 | \$ 10,086 | 3.33% |
| <i>Personal Services</i> | <i>\$1,347,861</i> | <i>\$1,601,662</i> | <i>\$ 1,495,155</i> | <i>\$ 1,536,201</i> | <i>\$ 41,046</i> | <i>2.75%</i> |
| Contractual Services | \$ 760,662 | \$ 950,752 | \$ 1,229,400 | \$ 1,256,000 | \$ 26,600 | 2.16% |
| Utilities | \$ 181,248 | \$ 218,867 | \$ 269,908 | \$ 328,300 | \$ 58,392 | 21.63% |
| Supplies | \$ 563,623 | \$ 705,066 | \$ 920,400 | \$ 991,000 | \$ 70,600 | 7.67% |
| Small Capital | \$ 62,062 | \$ 30,804 | \$ 85,000 | \$ 91,000 | \$ 6,000 | 7.06% |
| <i>Expenses</i> | <i>\$1,567,594</i> | <i>\$1,905,489</i> | <i>\$ 2,504,708</i> | <i>\$ 2,666,300</i> | <i>\$ 161,592</i> | <i>6.45%</i> |
| Total 3200 Highway | \$2,915,455 | \$3,507,151 | \$ 3,999,863 | \$ 4,202,501 | \$ 202,638 | 5.07% |

Mission: The Public Grounds Division, working with other Town Departments, user groups and concerned citizens, supports various Town services and recreational opportunities that help to preserve the Town's green character and open spaces, and promote public safety. Through the Cemetery Division, it also serves bereaved families and provides well-maintained cemetery grounds.

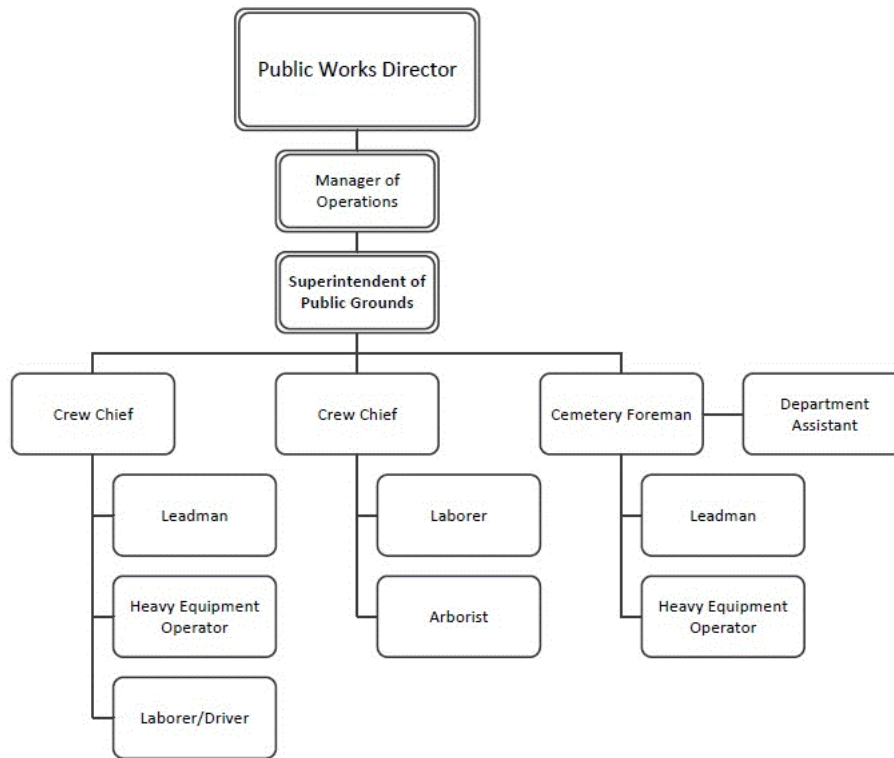
Budget Overview: The Public Grounds Division is comprised of the Parks, Forestry and Cemetery functions.

- The Parks staff maintain 9 parks, 12 playgrounds, 28 conservation areas, 41 athletic fields, 12 school grounds, 4 tennis facilities, 3 historical sites, the pool and reservoir complexes as well as the Town's bicycle, fitness and conservation trails totaling approximately 630 acres. Lexington's athletic fields are used by many groups, which put excessive demands on these facilities. The new turf program has continued to make a marked improvement in the safety and playability of these fields.
- The Forestry staff maintain approximately 10,000 street trees, an undetermined number of trees on Park and Conservation lands and numerous shrub bed plantings on park, cemetery, school and conservation properties and along right-of-ways.
- The Cemetery staff is responsible for the administration and maintenance of four cemeteries including 21.5 acres in Westview, 6.9 acres in Munroe, 1.28 in Colonial and 0.5 acres in Robbins.

Staff support the Recreation, Tree and Bicycle Advisory Committees.

Division Initiatives:

1. Continue the implementation of a proactive park maintenance program to provide safe, well-maintained, aesthetically pleasing parks, athletic fields and public ground areas.
2. Continue to improve two turf areas per year; the Center Complex baseball and football fields are targeted for FY2023.
3. Continue to implement a proactive tree maintenance program to minimize hazard trees and provide safe, well-maintained, aesthetically pleasing parks, athletic fields and public ground areas.
4. Continue the GPS location of graves at Westview Cemetery and begin plans for the other cemeteries.
5. Oversee construction of the new cemetery building.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--|--------------------------|--------------------------|--------------------------|---------------------------|
| Element 3310: Parks Division | | | | |
| Superintendent of Public Grounds | 1 | 1 | 1 | 1 |
| Crew Chief | 3 | 3 | 3 | 3 |
| Leadman | 4 | 4 | 4 | 4 |
| Heavy Equipment Operator | 8 | 8 | 8 | 8 |
| Subtotal FTE | 16 | 16 | 16 | 16 |
| Subtotal FT/PT | 16 FT/0 PT | 16 FT/0 PT | 16 FT/0 PT | 16 FT/0 PT |
| Element 3320: Forestry Division | | | | |
| Crew Chief | 1 | 1 | 1 | 1 |
| Arborists | 3 | 3 | 3 | 3 |
| Heavy Equipment Operator | 1 | 1 | 1 | 1 |
| Seasonal Laborer | 0.6 | 0.6 | 0.6 | 0.3 |
| Subtotal FTE | 5.6 | 5.6 | 5.6 | 5.3 |
| Subtotal FT/PT | 5 FT/2 PT | 5 FT/2 PT | 5 FT/2 PT | 5 FT/2 PT |
| Element 3330: Cemetery Division | | | | |
| Cemetery Foreman | 1 | 1 | 1 | 1 |
| Leadman | 1 | 1 | 1 | 1 |
| Heavy Equipment Operator | 1 | 1 | 1 | 1 |
| Department Assistant | 1 | 1 | 1 | 1 |
| Seasonal Laborer | 0.6 | 0.6 | 0.6 | 0.3 |
| Subtotal FTE | 4.6 | 4.6 | 4.6 | 4.3 |
| Subtotal FT/PT | 4 FT/2 PT | 4 FT/2 PT | 4 FT/2 PT | 4 FT/1 PT |
| Total FTE | 26.2 | 26.2 | 26.2 | 25.6 |
| Total FT/PT | 25 FT/4 PT | 25 FT/4 PT | 25 FT/4 PT | 25 FT/2 PT |

Budget Recommendations:

The FY2023 recommended All Funds Public Grounds budget inclusive of the General Fund operating budgets for the Parks, Forestry and Cemetery divisions and the Burial Containers and Lexington Tree Fund Revolving Funds is \$2,609,818, which is a \$107,539 or 4.30% increase over the FY2022 budget.

The combined Parks, Forestry and Cemetery FY2023 recommended General Fund operating budget is \$2,474,818 which is a \$92,539 or 3.88% increase from the FY2022 General Fund budget.

The combined Parks, Forestry and Cemetery General Fund operating budget for Compensation is \$1,760,318 and reflects a \$93,239 or 5.59% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the contract with Public Works staff.

The combined Parks, Forestry and Cemetery General Fund operating budget for Expenses is \$714,500 and reflects a \$(700) or (0.10)% decrease, which is a net change reflecting removal of a one-time expense for \$40,000, offset by inflationary increases in supplies and materials throughout the division.

The combined FY2023 revolving fund budgets are funded at \$135,000, an increase of \$15,000.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|---|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Assistant Superintendent for Public Grounds | \$ 83,895 | \$ 17,621 | \$ 101,516 | \$ — | \$ — | \$ — | \$ 101,516 |

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Tax Levy | \$ 1,516,823 | \$ 1,884,177 | \$ 2,102,279 | \$ 2,057,855 | \$ (44,424) | -2.11% |
| Enterprise Funds (Indirects) | \$ 91,108 | \$ 94,139 | \$ — | \$ 96,963 | \$ 96,963 | —% |
| Fees & Charges | | | | | | |
| Cemetery Prep Fees | \$ 272,443 | \$ 237,123 | \$ 230,000 | \$ 250,000 | \$ 20,000 | 8.70% |
| Directed Funding | | | | | | |
| Cemetery Trust | \$ 90,038 | \$ 72,925 | \$ 50,000 | \$ 70,000 | \$ 20,000 | 40.00% |
| Total 3300 - General Fund | \$ 1,970,413 | \$ 2,288,364 | \$ 2,382,279 | \$ 2,474,818 | \$ 92,539 | 3.88% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Compensation | \$ 1,403,930 | \$ 1,705,237 | \$ 1,667,079 | \$ 1,760,318 | \$ 93,239 | 5.59% |
| Expenses | \$ 566,482 | \$ 583,127 | \$ 715,200 | \$ 714,500 | \$ (700) | -0.10% |
| Total 3300 - General Fund | \$ 1,970,413 | \$ 2,288,364 | \$ 2,382,279 | \$ 2,474,818 | \$ 92,539 | 3.88% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Total 3310 Parks Division | \$ 1,261,614 | \$ 1,418,322 | \$ 1,436,075 | \$ 1,545,793 | \$109,718 | 7.64% |
| Total 3320 Forestry | \$ 409,077 | \$ 525,200 | \$ 552,426 | \$ 523,391 | \$ (29,035) | -5.26% |
| Total 3330 Cemetery | \$ 299,721 | \$ 344,843 | \$ 393,778 | \$ 405,634 | \$ 11,856 | 3.01% |
| Total 3300 - General Fund | \$ 1,970,413 | \$ 2,288,364 | \$ 2,382,279 | \$ 2,474,818 | \$ 92,539 | 3.88% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Salaries & Wages | \$ 1,301,688 | \$ 1,421,925 | \$ 1,543,351 | \$ 1,632,476 | \$ 89,125 | 5.77% |
| Prior Year Retro Payments | \$ — | \$ 107,065 | \$ — | \$ — | \$ — | —% |
| Overtime | \$ 102,243 | \$ 176,248 | \$ 123,728 | \$ 127,842 | \$ 4,114 | 3.33% |
| <i>Personal Services</i> | <i>\$ 1,403,930</i> | <i>\$ 1,705,237</i> | <i>\$ 1,667,079</i> | <i>\$ 1,760,318</i> | <i>\$ 93,239</i> | <i>5.59%</i> |
| Contractual Services | \$ 284,660 | \$ 275,117 | \$ 447,600 | \$ 421,500 | \$ (26,100) | -5.83% |
| Utilities | \$ 47,646 | \$ 85,929 | \$ 76,700 | \$ 85,700 | \$ 9,000 | 11.73% |
| Supplies | \$ 225,283 | \$ 216,287 | \$ 180,400 | \$ 195,800 | \$ 15,400 | 8.54% |
| Small Capital | \$ 8,893 | \$ 5,794 | \$ 10,500 | \$ 11,500 | \$ 1,000 | 9.52% |
| <i>Expenses</i> | <i>\$ 566,482</i> | <i>\$ 583,127</i> | <i>\$ 715,200</i> | <i>\$ 714,500</i> | <i>\$ (700)</i> | <i>-0.10%</i> |
| Total 3300 - General Fund | \$ 1,970,413 | \$ 2,288,364 | \$ 2,382,279 | \$ 2,474,818 | \$ 92,539 | 3.88% |

Budget Summary - Revolving Funds*

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|
| Lexington Tree Fund | \$ 86,450 | \$ 54,120 | \$ 70,000 | \$ 75,000 | \$ 5,000 | 7.14% |
| Burial Containers | \$ 44,705 | \$ 35,680 | \$ 50,000 | \$ 60,000 | \$ 10,000 | 20.00% |
| Total 3300 - Revolving Funds | \$ 131,155 | \$ 89,800 | \$ 120,000 | \$ 135,000 | \$ 15,000 | 12.50% |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|------------------|------------------|----------------------|--------------------|------------------|------------------|
| Lexington Tree Revolving Fund | | | | | | |
| Expenses | \$ 887 | \$ 23,450 | \$ 70,000 | \$ 75,000 | \$ 5,000 | 7.14% |
| Burial Container Revolving Fund | | | | | | |
| Expenses | \$ 29,690 | \$ 21,815 | \$ 50,000 | \$ 60,000 | \$ 10,000 | 20.00% |
| Total 3300 - Revolving Funds | \$ 30,577 | \$ 45,265 | \$ 120,000 | \$ 135,000 | \$ 15,000 | 12.50% |

Budget Summary - All Funds

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------|---------------------|---------------------|----------------------|---------------------|------------------|------------------|
| Compensation | \$ 1,403,930 | \$ 1,705,237 | \$ 1,667,079 | \$ 1,760,318 | \$ 93,239 | 5.59% |
| Expenses | \$ 597,059 | \$ 628,392 | \$ 835,200 | \$ 849,500 | \$ 14,300 | 1.71% |
| Total 3300 - All Funds | \$ 2,000,989 | \$ 2,333,630 | \$ 2,502,279 | \$ 2,609,818 | \$107,539 | 4.30% |

Mission: The Environmental Services Division manages the solid waste, recyclables, yard waste and household hazardous products generated by households and municipal facilities. The Division also provides educational materials on ways to reduce solid waste, increase recycling and composting, and reduce the toxicity of the waste stream.

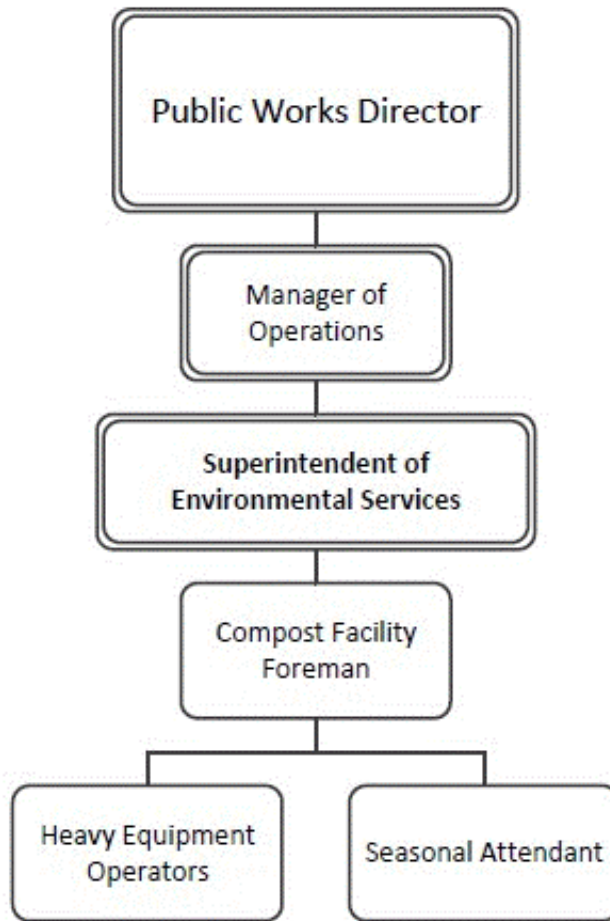
Budget Overview: The Environmental Services Division includes Refuse Collection and Disposal, Recycling, Yard Waste and Appliance/Electronic Waste.

Refuse collection is the curbside collection of non-recyclable residential solid waste and the separate collection of large appliances and yard waste. Recycling is the curbside collection of recyclable products, management of yard waste operations at the Hartwell Avenue Compost Facility, operation of the Minuteman Household Hazardous Products regional facility and curbside collection of televisions, computer monitors and other electronics (CRT's) and drop-off of corrugated cardboard.

The Town entered into a 5-year contract for the collection of trash and recyclables with E. L. Harvey & Sons, Inc. beginning July 1, 2018 and running through June 30, 2023. The Town is currently under contract with Wheelabrator in North Andover for refuse disposal through June 30, 2025.

Division Initiatives:

1. Work with E. L. Harvey & Sons to continue a manual refuse and manual single stream recycling collection service. Oversee enforcement of mandatory recycling bylaw and State waste bans regulations.
2. Continue to support programs to divert organics from residential trash. Since May 2018, DPW has provided over 1,000 specialized green carts to residents participating in a food scraps program. Lexington Public Schools divert approximately 100 tons of organics throughout the school year.
3. Continue to assess markets and pricing for compost, loam, leaf, bark mulch and yard waste disposal permits.
4. Continue to support Zero Waste activities and programs, to promote waste reduction programs at public events such as Discovery Day, community fairs and other events.
5. Complete implementation of DPW yard/compost facility operation's plan including gate installation, security and conservation improvements.
6. Explore and implement new revenue opportunities.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--|--------------------------|--------------------------|--------------------------|---------------------------|
| Element 3420: Recycling* (Compost Facility) | | | | |
| Superintendent of Environmental Services | 1 | 1 | 1 | 1 |
| Compost Facility Foreman | 1 | 1 | 1 | 1 |
| Leadman** | — | — | — | 1 |
| Heavy Equipment Operator | 2 | 2 | 2 | 1 |
| Seasonal Attendant | 0.7 | 0.7 | 0.7 | 0.7 |
| Subtotal FTE | 4.7 | 4.7 | 4.7 | 4.7 |
| Subtotal FT/PT | 4 FT/1 PT* | 4 FT/1 PT* | 4 FT/1 PT* | 4 FT/1 PT* |
| Total FTE | 4.7 | 4.7 | 4.7 | 4.7 |
| Total FT/PT | 4 FT/1 PT | 4 FT/1 PT | 4 FT/1 PT | 4 FT/1 PT |

*The positions shown in Element 3420: Recycling are paid from the DPW Compost Revolving Fund.

**The FY2023 budget requests upgrading a Heavy Equipment Operator to a Leadman as a program improvement.

Budget Recommendations:

The recommended FY2023 All Funds Environmental Services budget inclusive of the General Fund operating budgets for the Refuse Collection, Recycling and Refuse Disposal divisions and the Compost Operations and Minuteman Household Hazardous Waste Program Revolving Funds is \$4,394,941, which is a net \$139,951 or 3.29% increase from the FY2022 budget.

There is no Compensation in the Refuse Collection, Recycling and Refuse Disposal General Fund operating budget as all staff are funded within the Compost Operations Revolving Fund budget.

The combined General Fund Refuse Collection, Recycling and Refuse Disposal operating budget for Expenses is \$3,268,446 and reflects a \$59,611 or 1.86% increase. The Refuse Collection expense budget is recommended at \$1,010,426, a increase of \$29,430 or 3.00%, and the Recycling expense budget is recommended at \$1,468,095 a decrease of \$(10,722) or (0.73)%, both of which reflect the Town’s contracts for refuse and recycling collections. The Recycling decrease also reflects the current market for disposal of recycled materials, which has recently begun to stabilize; and is anticipated to decrease by \$(78,000) or (19.60)%. The Refuse Disposal expense budget is recommended at \$789,925, an increase of \$40,903 or 5.46%, attributable to a 3.24% or \$2.61 increase in the Town’s tipping fee per ton. Total refuse disposal tonnage for FY2023 is projected to be 9,500 tons, an increase of 200 tons due to higher usage while residents have been home during the pandemic.

The FY2023 revolving fund budgets are recommended at \$1,126,495, a \$80,340 or 7.68% net increase. The Minuteman Household Hazardous Waste Program Revolving Fund is level-funded at \$260,000. The Compost Operations Revolving Fund is recommended at \$866,495, a \$80,340 or 10.22% increase, which reflects actual expenses, as well as a program improvement to upgrade a heavy equipment operator to a leadman.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Transition PT Compost Site Attendant to FT | \$ 32,429 | \$ 16,874 | \$ 49,303 | \$ — | \$ — | \$ — | \$ 49,303 |
| W-6 position upgrade | \$ 2,496 | \$ — | \$ 2,496 | \$ 2,496 | \$ — | \$ 2,496 | \$ — |

3400 Environmental Services

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|----------------------------------|--------------------|--------------------|---------------------|---------------------|------------------|------------------|
| Tax Levy | \$2,780,861 | \$2,986,026 | \$ 3,208,835 | \$ 3,268,446 | \$ 59,611 | 1.86 % |
| Total 3400 - General Fund | \$2,780,861 | \$2,986,026 | \$ 3,208,835 | \$ 3,268,446 | \$ 59,611 | 1.86 % |

| Appropriation Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|--------------------|--------------------|----------------------|---------------------|------------------|------------------|
| Compensation | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Expenses | \$2,780,861 | \$2,986,026 | \$ 3,208,835 | \$ 3,268,446 | \$ 59,611 | 1.86 % |
| Total 3400 - General Fund | \$2,780,861 | \$2,986,026 | \$ 3,208,835 | \$ 3,268,446 | \$ 59,611 | 1.86 % |

| Program Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|--------------------|--------------------|----------------------|---------------------|------------------|------------------|
| Total 3410 Refuse Collection | \$ 924,683 | \$ 952,423 | \$ 980,996 | \$ 1,010,426 | \$ 29,430 | 3.00 % |
| Total 3420 Recycling | \$1,213,048 | \$1,265,853 | \$ 1,478,817 | \$ 1,468,095 | \$ (10,722) | -0.73 % |
| Total 3430 Refuse Disposal | \$ 643,130 | \$ 767,750 | \$ 749,022 | \$ 789,925 | \$ 40,903 | 5.46 % |
| Total 3400 - General Fund | \$2,780,861 | \$2,986,026 | \$ 3,208,835 | \$ 3,268,446 | \$ 59,611 | 1.86 % |

| Object Code Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|--------------------|--------------------|----------------------|---------------------|------------------|------------------|
| Salaries & Wages | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Personal Services</i> | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Contractual Services | \$2,755,348 | \$2,976,612 | \$ 3,172,585 | \$ 3,226,946 | \$ 54,361 | 1.71 % |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Supplies | \$ 25,514 | \$ 9,414 | \$ 36,250 | \$ 41,500 | \$ 5,250 | 14.48 % |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Expenses</i> | <i>\$2,780,861</i> | <i>\$2,986,026</i> | <i>\$ 3,208,835</i> | <i>\$ 3,268,446</i> | <i>\$ 59,611</i> | <i>1.86 %</i> |
| Total 3400 - General Fund | \$2,780,861 | \$2,986,026 | \$ 3,208,835 | \$ 3,268,446 | \$ 59,611 | 1.86 % |

Budget Summary - Revolving Funds*

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-------------------------------------|-------------------|--------------------|---------------------|---------------------|------------------|------------------|
| Compost Operations Rev. Fund | \$ 673,846 | \$ 804,309 | \$ 790,000 | \$ 855,000 | \$ 65,000 | 8.23 % |
| Minuteman Haz. Waste Rev. Fund | \$ 153,800 | \$ 206,854 | \$ 260,000 | \$ 260,000 | \$ — | — % |
| Total 3400 - Revolving Funds | \$ 827,647 | \$1,011,163 | \$ 1,050,000 | \$ 1,115,000 | \$ 65,000 | 6.19 % |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|-------------------|--------------------|----------------------|---------------------|------------------|------------------|
| Compost Operations Rev. Fund | \$ 824,841 | \$ 889,409 | \$ 786,155 | \$ 866,495 | \$ 80,340 | 10.22% |
| Compensation | \$ 325,354 | \$ 352,623 | \$ 357,167 | \$ 361,082 | \$ 3,915 | 1.10 % |
| Expenses | \$ 211,938 | \$ 245,515 | \$ 188,500 | \$ 194,000 | \$ 5,500 | 2.92 % |
| Benefits | \$ 70,246 | \$ 85,714 | \$ 77,487 | \$ 83,938 | \$ 6,451 | 8.33 % |
| Debt | \$ 217,303 | \$ 205,557 | \$ 163,001 | \$ 227,475 | \$ 64,474 | 39.55 % |
| Minuteman Haz. Waste Rev. Fund | \$ 133,954 | \$ 255,449 | \$ 260,000 | \$ 260,000 | \$ — | —% |
| Expenses | \$ 133,954 | \$ 255,449 | \$ 260,000 | \$ 260,000 | \$ — | — % |
| Total 3400 - Revolving Funds | \$ 958,793 | \$1,144,856 | \$ 1,046,155 | \$ 1,126,495 | \$ 80,340 | 7.68 % |

Budget Summary - All Funds

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------|--------------------|--------------------|----------------------|---------------------|-------------------|------------------|
| Compensation | \$ 325,354 | \$ 352,623 | \$ 357,167 | \$ 361,082 | \$ 3,915 | 1.10 % |
| Expenses | \$3,126,753 | \$3,486,989 | \$ 3,657,335 | \$ 3,722,446 | \$ 65,111 | 1.78 % |
| Benefits (Revolving Fund) | \$ 70,246 | \$ 85,714 | \$ 77,487 | \$ 83,938 | \$ 6,451 | 8.33 % |
| Debt Service (Revolving Fund) | \$ 217,303 | \$ 205,557 | \$ 163,001 | \$ 227,475 | \$ 64,474 | 39.55 % |
| Total 3400 - All Funds | \$3,739,655 | \$4,130,883 | \$ 4,254,990 | \$ 4,394,941 | \$ 139,951 | 3.29 % |

Mission: The Water/Sewer Division strives to enhance the quality of life in Lexington by providing quality drinking water, and ensuring the proper and safe discharge of our wastewater and by maintaining our commitment to improving the infrastructure.

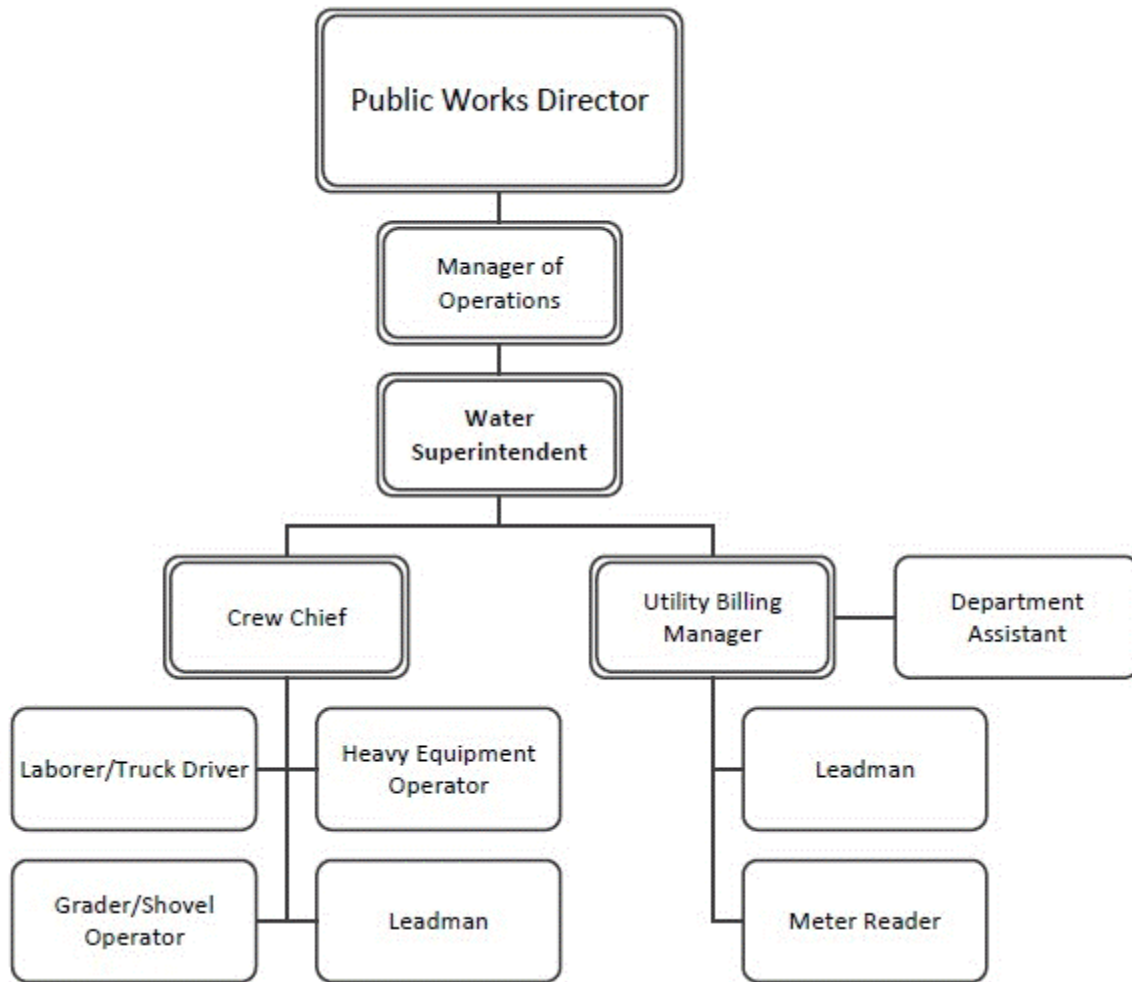
Budget Overview: The Water Division budget is comprised of Water Operations, Massachusetts Water Resources Authority (MWRA) purchases and indirect support from the General Fund.

The Water Operations maintains and repairs the water system that delivers water to Lexington homes and businesses through 154 miles of water mains, 1,747 fire hydrants and two water towers that store 3.24 million gallons of water. The Town has a three-block inclining rate structure to encourage water conservation. As a customer uses more water, the water rate for the additional units increases. Customers are billed twice per year. The Town also sells water to the Town of Bedford at the MWRA wholesale rate plus an administrative fee. The MWRA provides water to Lexington and greater Boston.

Indirect support from the General Fund reflects Water Enterprise Fund expenses (benefits, insurance and engineering support) that are appropriated in the General Fund. The Water Enterprise Fund, therefore, reimburses the General Fund for these expenses through an indirect cost transfer. In FY2023, the Water Enterprise Fund will contribute to the Other Post-Employment Benefits (OPEB) Trust Fund in a funding level that matches the contributions of the General Fund.

Departmental Initiatives:

1. Continue with the Hydrant Maintenance Program.
2. Continue working with the vendor implementing the Automatic Meter Reading System (AMR).
3. Implement a valve/hydrant maintenance and/or backflow/cross connection program.
4. Continue to evaluate water usage, to move towards conservation efforts.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|-----------------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Superintendent of Water & Sewer | 0.5 | 0.5 | 0.5 | 0.5 |
| Utility Billing Manager | 0.5 | 0.5 | 0.5 | 0.5 |
| Crew Chief | 2 | 2 | 2 | 2 |
| Grader-Shovel Operator | 1 | 1 | 1 | 1 |
| Leadman/Cross Connector Inspector | 2 | 2 | 2 | 2 |
| Heavy Equipment Operator | 4 | 4 | 4 | 4 |
| Laborer-Meter Reader | 1 | 1 | 1 | 1 |
| Department Assistant | 0.2 | 0.2 | 0.2 | 0.2 |
| Total FTE | 11.2 | 11.2 | 11.2 | 11.2 |
| Total FT/PT | 10 FT/3 PT | 10 FT/3 PT | 10 FT/3 PT | 10 FT/3 PT |

Budget Recommendations:

The FY2023 recommended Water operating budget is \$12,707,237, inclusive of indirect costs. The recommended budget reflects a \$82,771 or 0.66% increase from the FY2022 budget.

The budget for Compensation is \$875,670, and reflects a \$10,216 or 1.18% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the contract with Public Works staff.

The budget for Expenses is \$533,500 which is an increase of \$19,200, or 3.73% from FY2022, and is due to an increase in professional development to support training and licenses for several new staff members, as well as inflationary increases in supplies and materials.

In FY2021, a new budget category of Cash Capital was initiated to begin to transition the ongoing water main replacement program to being funded directly by user charges instead of debt financing. This is the third year of an 11-year transition to move the entire \$2,200,000 annual program to cash financing. In doing so, rate payers will save a considerable amount on interest costs in the long-term. The FY2023 recommendation for cash capital is \$600,000.

Debt service is recommended to increase by \$44,952 or 3.81%.

The preliminary MWRA Assessment is \$8,493,467, which is a \$(250,445) or -2.86% decrease from FY2022. The final assessment will be issued in June 2022.

In FY2023, it is recommended that the Water Enterprise Fund continue contributing to the Other Post-Employment Benefits Trust Fund, which was initiated in FY2018.

Indirect payments to the General Fund for those costs borne by the General Fund in support of water operations are projected at \$977,093, an increase of \$58,848 or 6.41%.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Assistant Superintendent for Water/Sewer | \$ 83,895 | \$ 17,621 | \$ 101,516 | \$ — | \$ — | \$ — | \$ 101,516 |

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------|------------------|
| Tax Levy | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Enterprise Funds | | | | | | |
| Retained Earnings | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| User Charges | \$ 10,594,289 | \$ 13,560,393 | \$ 12,316,466 | \$ 12,399,237 | \$ 82,771 | 0.67% |
| Meter Charges | \$ 44,896 | \$ 75,844 | \$ 35,000 | \$ 35,000 | \$ — | —% |
| Investment Income | \$ 17,931 | \$ 6,399 | \$ 8,000 | \$ 8,000 | \$ — | —% |
| Fees & Charges | \$ 399,794 | \$ 265,633 | \$ 265,000 | \$ 265,000 | \$ — | —% |
| Total 3600 Water Enterprise | \$ 11,056,910 | \$ 13,908,268 | \$ 12,624,466 | \$ 12,707,237 | \$ 82,771 | 0.66% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------|------------------|
| Compensation | \$ 660,929 | \$ 834,114 | \$ 865,454 | \$ 875,670 | \$ 10,216 | 1.18% |
| Expenses | \$ 420,436 | \$ 467,078 | \$ 514,300 | \$ 533,500 | \$ 19,200 | 3.73% |
| Cash Capital | \$ — | \$ 200,000 | \$ 400,000 | \$ 600,000 | \$ 200,000 | 50.00% |
| Debt | \$ 1,192,000 | \$ 965,096 | \$ 1,179,794 | \$ 1,224,746 | \$ 44,952 | 3.81% |
| MWRA | \$ 7,413,364 | \$ 8,006,399 | \$ 8,743,912 | \$ 8,493,467 | \$ (250,445) | -2.86% |
| OPEB | \$ 2,761 | \$ — | \$ 2,761 | \$ 2,761 | \$ — | —% |
| Indirects | \$ 894,573 | \$ 930,001 | \$ 918,245 | \$ 977,093 | \$ 58,848 | 6.41% |
| Total 3600 Water Enterprise | \$ 10,584,063 | \$ 11,402,688 | \$ 12,624,466 | \$ 12,707,237 | \$ 82,771 | 0.66% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------|------------------|
| 3610 Water Operations | \$ 2,273,365 | \$ 2,266,288 | \$ 2,559,548 | \$ 2,633,916 | \$ 74,368 | 2.91% |
| 3620 MWRA | \$ 7,413,364 | \$ 8,006,399 | \$ 8,743,912 | \$ 8,493,467 | \$ (250,445) | -2.86% |
| Cash Capital | \$ — | \$ 200,000 | \$ 400,000 | \$ 600,000 | \$ 200,000 | 50.00% |
| OPEB | \$ 2,761 | \$ — | \$ 2,761 | \$ 2,761 | \$ — | —% |
| Indirects | \$ 894,573 | \$ 930,001 | \$ 918,245 | \$ 977,093 | \$ 58,848 | 6.41% |
| Total 3600 Water Enterprise | \$ 10,584,063 | \$ 11,402,688 | \$ 12,624,466 | \$ 12,707,237 | \$ 82,771 | 0.66% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------|------------------|
| Salaries & Wages | \$ 543,405 | \$ 598,162 | \$ 681,660 | \$ 689,487 | \$ 7,827 | 1.15% |
| Prior Year Retro Payments | \$ — | \$ 54,507 | \$ — | \$ — | \$ — | —% |
| Overtime | \$ 117,523 | \$ 181,445 | \$ 183,794 | \$ 186,183 | \$ 2,389 | 1.30% |
| <i>Personal Services</i> | <i>\$ 660,929</i> | <i>\$ 834,114</i> | <i>\$ 865,454</i> | <i>\$ 875,670</i> | <i>\$ 10,216</i> | <i>1.18%</i> |
| Contractual Services | \$ 183,763 | \$ 247,112 | \$ 269,800 | \$ 279,800 | \$ 10,000 | 3.71% |
| Utilities | \$ 18,143 | \$ 18,032 | \$ 17,000 | \$ 17,000 | \$ — | —% |
| Supplies | \$ 192,234 | \$ 198,018 | \$ 202,500 | \$ 211,700 | \$ 9,200 | 4.54% |
| Small Capital | \$ 26,296 | \$ 3,916 | \$ 25,000 | \$ 25,000 | \$ — | —% |
| <i>Expenses</i> | <i>\$ 420,436</i> | <i>\$ 467,078</i> | <i>\$ 514,300</i> | <i>\$ 533,500</i> | <i>\$ 19,200</i> | <i>3.73%</i> |
| Cash Capital | \$ — | \$ 200,000 | \$ 400,000 | \$ 600,000 | \$ 200,000 | 50.00% |
| Debt | \$ 1,192,000 | \$ 965,096 | \$ 1,179,794 | \$ 1,224,746 | \$ 44,952 | 3.81% |
| MWRA | \$ 7,413,364 | \$ 8,006,399 | \$ 8,743,912 | \$ 8,493,467 | \$ (250,445) | -2.86% |
| OPEB | \$ 2,761 | \$ — | \$ 2,761 | \$ 2,761 | \$ — | —% |
| Indirects | \$ 894,573 | \$ 930,001 | \$ 918,245 | \$ 977,093 | \$ 58,848 | 6.41% |
| Total 3600 Water Enterprise | \$ 10,584,063 | \$ 11,402,688 | \$ 12,624,466 | \$ 12,707,237 | \$ 82,771 | 0.66% |

Mission: The Water/Sewer Division strives to enhance the quality of life in Lexington by providing quality drinking water, by ensuring the proper and safe discharge of wastewater and by maintaining our commitment to improving the infrastructure.

Budget Overview: The Sewer Division budget is comprised of Wastewater Operations, Massachusetts Water Resources Authority (MWRA) purchases and indirect support from the General Fund.

The Sewer Division maintains the wastewater system that serves 99 percent of Town residences and businesses through 34 miles of trunk lines, 119 miles of street lines and 10,326 service connections. There are also ten sewage-pumping stations operated by the Sewer Division. The Town has a three-block inclining rate structure to encourage conservation. Customer sewer usage is determined based on water usage over the same period, with the exception of meters dedicated to outdoor irrigation.

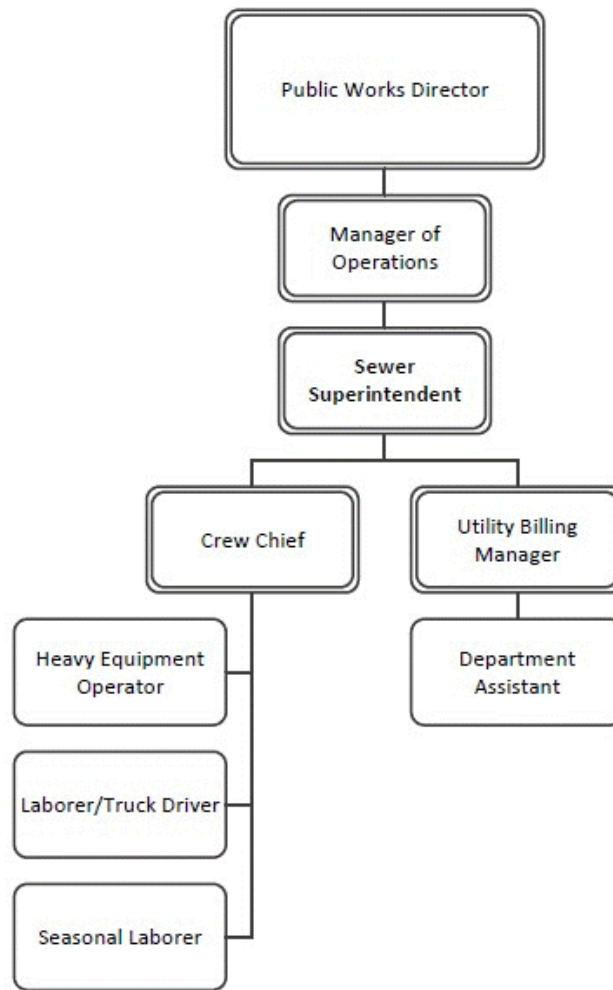
The MWRA provides wastewater treatment to Lexington and greater Boston at the Deer Island treatment facility.

Indirect support from the General Fund reflects Sewer Enterprise Fund expenses (benefits, insurance and engineering support) that are appropriated in the General Fund. The Sewer Enterprise Fund, therefore, reimburses the General Fund for these expenses through an indirect cost transfer.

In FY2023, the Sewer Enterprise Fund is recommended to contribute to the Other Post-Employment Benefits (OPEB) Trust Fund in a funding level that matches the contributions of the General Fund.

Departmental Initiatives:

1. Continue the pipe flushing program and root removal in all areas.
2. Work with the Water Enterprise Division on the ongoing Automatic Meter Reading System project. (AMR).
3. Continue to educate the public on the costs and problems created by Inflow & Infiltration.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Supt. of Water & Sewer | 0.5 | 0.5 | 0.5 | 0.5 |
| Utility Billing Manager | 0.5 | 0.5 | 0.5 | 0.5 |
| Crew Chief | 1 | 1 | 1 | 1 |
| Heavy Equipment Operator | 2 | 2 | 2 | 2 |
| Department Assistant | 0.2 | 0.2 | 0.2 | 0.2 |
| Seasonal Assistant | 0.4 | 0.4 | 0.4 | 0.4 |
| Seasonal Laborer | 0.3 | 0.3 | 0.3 | 0.3 |
| Total FTE | 4.9 | 4.9 | 4.9 | 4.9 |
| Total FT/PT | 3 FT/5 PT | 3 FT/5 PT | 3 FT/5 PT | 3 FT/5 PT |

Budget Recommendations:

The FY2023 recommended Sewer operating budget, inclusive of indirect costs, is \$11,798,658, a \$595,388 or 5.31% increase over the FY2022 budget.

The budget for Compensation is \$399,848 and reflects a \$10,069 or 2.58% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the contract with Public Works staff.

The budget for Expenses is \$458,400, an increase of \$3,750 or 0.82%, which reflects anticipated inflationary increases for electricity, supplies and materials.

In FY2021, a new budget category of Cash Capital was initiated to begin to transition the ongoing sanitary sewer main replacement program to being funded directly by user charges instead of debt financing. This is the third year of a 10-year transition to move the entire \$1,000,000 annual program to cash financing. In doing so, rate payers will save a considerable amount on interest costs in the long-term. The FY2023 recommendation for cash capital is \$300,000.

Debt service is recommended to increase by \$130,904 or 8.94%.

The preliminary MWRA Assessment is \$8,499,573, which is a \$322,360 or 3.94% increase from FY2022. The final assessment will be issued in June 2022.

In FY2023, it is recommended that the Sewer Enterprise Fund continue contributing to the Other Post-Employment Benefits Trust Fund, which was initiated in FY2018.

Indirect payments to the General Fund for those costs borne by the General Fund in support of sewer operations are projected at \$542,416, a increase of \$28,305 or 5.51%.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Assistant Superintendent for Water/Sewer | \$ 83,895 | \$ 17,621 | \$ 101,516 | \$ — | \$ — | \$ — | \$ 101,516 |

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------|------------------|
| Tax Levy | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Enterprise Funds | | | | | | |
| Retained Earnings | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| User Charges | \$ 9,885,948 | \$ 10,763,060 | \$ 10,841,270 | \$ 11,436,658 | \$ 595,388 | 5.49% |
| Connection Fees | \$ 695 | \$ 773 | \$ — | \$ — | \$ — | —% |
| Investment Income | \$ 14,259 | \$ 8,811 | \$ 8,000 | \$ 8,000 | \$ — | —% |
| Fees & Charges | \$ 514,538 | \$ 388,599 | \$ 354,000 | \$ 354,000 | \$ — | —% |
| Total 3700 Sewer Enterprise | \$ 10,415,439 | \$ 11,161,243 | \$ 11,203,270 | \$ 11,798,658 | \$ 595,388 | 5.31% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------|------------------|
| Compensation | \$ 226,162 | \$ 315,205 | \$ 389,779 | \$ 399,848 | \$ 10,069 | 2.58% |
| Expenses | \$ 284,781 | \$ 325,634 | \$ 454,650 | \$ 458,400 | \$ 3,750 | 0.82% |
| Cash Capital | \$ — | \$ 100,000 | \$ 200,000 | \$ 300,000 | \$ 100,000 | 50.00% |
| Debt | \$ 1,200,863 | \$ 1,243,337 | \$ 1,464,513 | \$ 1,595,417 | \$ 130,904 | 8.94% |
| MWRA | \$ 7,837,139 | \$ 7,922,359 | \$ 8,177,213 | \$ 8,499,573 | \$ 322,360 | 3.94% |
| OPEB | \$ 3,004 | \$ — | \$ 3,004 | \$ 3,004 | \$ — | —% |
| Indirects | \$ 532,094 | \$ 541,663 | \$ 514,111 | \$ 542,416 | \$ 28,305 | 5.51% |
| Total 3700 Sewer Enterprise | \$ 10,084,043 | \$ 10,448,199 | \$ 11,203,270 | \$ 11,798,658 | \$ 595,388 | 5.31% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------|------------------|
| 3710 Sewer Enterprise | \$ 1,711,806 | \$ 1,884,177 | \$ 2,308,942 | \$ 2,453,665 | \$ 144,723 | 6.27% |
| 3720 - MWRA | \$ 7,837,139 | \$ 7,922,359 | \$ 8,177,213 | \$ 8,499,573 | \$ 322,360 | 3.94% |
| Cash Capital | \$ — | \$ 100,000 | \$ 200,000 | \$ 300,000 | \$ 100,000 | 50.00% |
| OPEB | \$ 3,004 | \$ — | \$ 3,004 | \$ 3,004 | \$ — | —% |
| Indirects | \$ 532,094 | \$ 541,663 | \$ 514,111 | \$ 542,416 | \$ 28,305 | 5.51% |
| Total 3700 Sewer Enterprise | \$ 10,084,043 | \$ 10,448,199 | \$ 11,203,270 | \$ 11,798,658 | \$ 595,388 | 5.31% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------|------------------|
| Salaries & Wages | \$ 197,259 | \$ 252,732 | \$ 305,063 | \$ 314,031 | \$ 8,968 | 2.94% |
| Prior Year Retro Payments | \$ — | \$ 12,329 | \$ — | \$ — | \$ — | —% |
| Overtime | \$ 28,903 | \$ 50,144 | \$ 84,716 | \$ 85,817 | \$ 1,101 | 1.30% |
| <i>Personal Services</i> | <i>\$ 226,162</i> | <i>\$ 315,205</i> | <i>\$ 389,779</i> | <i>\$ 399,848</i> | <i>\$ 10,069</i> | <i>2.58%</i> |
| Contractual Services | \$ 134,846 | \$ 131,011 | \$ 207,400 | \$ 207,400 | \$ — | —% |
| Utilities | \$ 108,424 | \$ 111,977 | \$ 130,000 | \$ 131,000 | \$ 1,000 | 0.77% |
| Supplies | \$ 41,511 | \$ 81,788 | \$ 103,250 | \$ 105,900 | \$ 2,650 | 2.57% |
| Small Capital | \$ — | \$ 858 | \$ 14,000 | \$ 14,100 | \$ 100 | 0.71% |
| <i>Expenses</i> | <i>\$ 284,781</i> | <i>\$ 325,634</i> | <i>\$ 454,650</i> | <i>\$ 458,400</i> | <i>\$ 3,750</i> | <i>0.82%</i> |
| Cash Capital | \$ — | \$ 100,000 | \$ 200,000 | \$ 300,000 | \$ 100,000 | 50.00% |
| Debt | \$ 1,200,863 | \$ 1,243,337 | \$ 1,464,513 | \$ 1,595,417 | \$ 130,904 | 8.94% |
| MWRA | \$ 7,837,139 | \$ 7,922,359 | \$ 8,177,213 | \$ 8,499,573 | \$ 322,360 | 3.94% |
| OPEB | \$ 3,004 | \$ — | \$ 3,004 | \$ 3,004 | \$ — | —% |
| Indirects | \$ 532,094 | \$ 541,663 | \$ 514,111 | \$ 542,416 | \$ 28,305 | 5.51% |
| Total 3700 Sewer Enterprise | \$ 10,084,043 | \$ 10,448,199 | \$ 11,203,270 | \$ 11,798,658 | \$ 595,388 | 5.31% |

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Section VI: Program 4000: Public Safety

This section includes detailed information about the FY2019 Operating Budget & Financing Plan for public safety. It includes:

- 4100 Law Enforcement VI-3
- 4200 Fire & Rescue VI-8

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Mission: The Lexington Police Department provides public safety services to enhance the quality of life in Lexington. A team of dedicated police officers, detectives, dispatchers and support staff work in a coordinated manner to effectively intervene in emergencies, promote traffic safety, suppress crime, reduce fear and deliver services to the community through a variety of prevention, problem solving and law enforcement programs.

Budget Overview: The Police Department is comprised of seven divisions: Administration, Patrol and Enforcement, Traffic Bureau, Investigations, Dispatch, Animal Control and Crossing Guards. In FY2021, the Police Department responded to 13,501 calls for service with 659 crimes investigated.

The Administration division is comprised of 11 full-time and 6 part-time employees including: the Chief and two Captains who oversee administrative and operational functions including budget, planning, training, personnel administration, public affairs and policy development; four Lieutenants who each lead a workgroup consisting of patrol officers, dispatchers and a Sergeant providing 24/7 policing services; an administrative Sergeant who tends to the accreditation program as well as detail assignments and event planning; an office manager and clerk who handle records management, accounting and payroll; 6 cadets who provide administrative support; and a mechanic who purchases, equips and maintains the vehicle fleet and other specialized equipment.

The Patrol and Enforcement division is comprised of 34 officers (29 patrol officers and five sergeants) responsible for responding to a variety of critical front-line services 24/7 including intervening in emergencies, promoting crime prevention and traffic safety as well as suppressing crime.

The Traffic Bureau has one supervisor who oversees the Parking Enforcement Officer (PEO) and one account clerk. Meter and parking enforcement in Lexington Center is done by the PEO. The Traffic Bureau supervisor also manages the school crossing guard program.

The Investigations division is supervised by a Detective Lieutenant who is assisted by the Sergeant Prosecutor and oversees six detectives responsible for investigation and prevention including: three major case detectives, a family services detective, a Community Resource Officer (CRO) and a School Resource Officer (SRO).

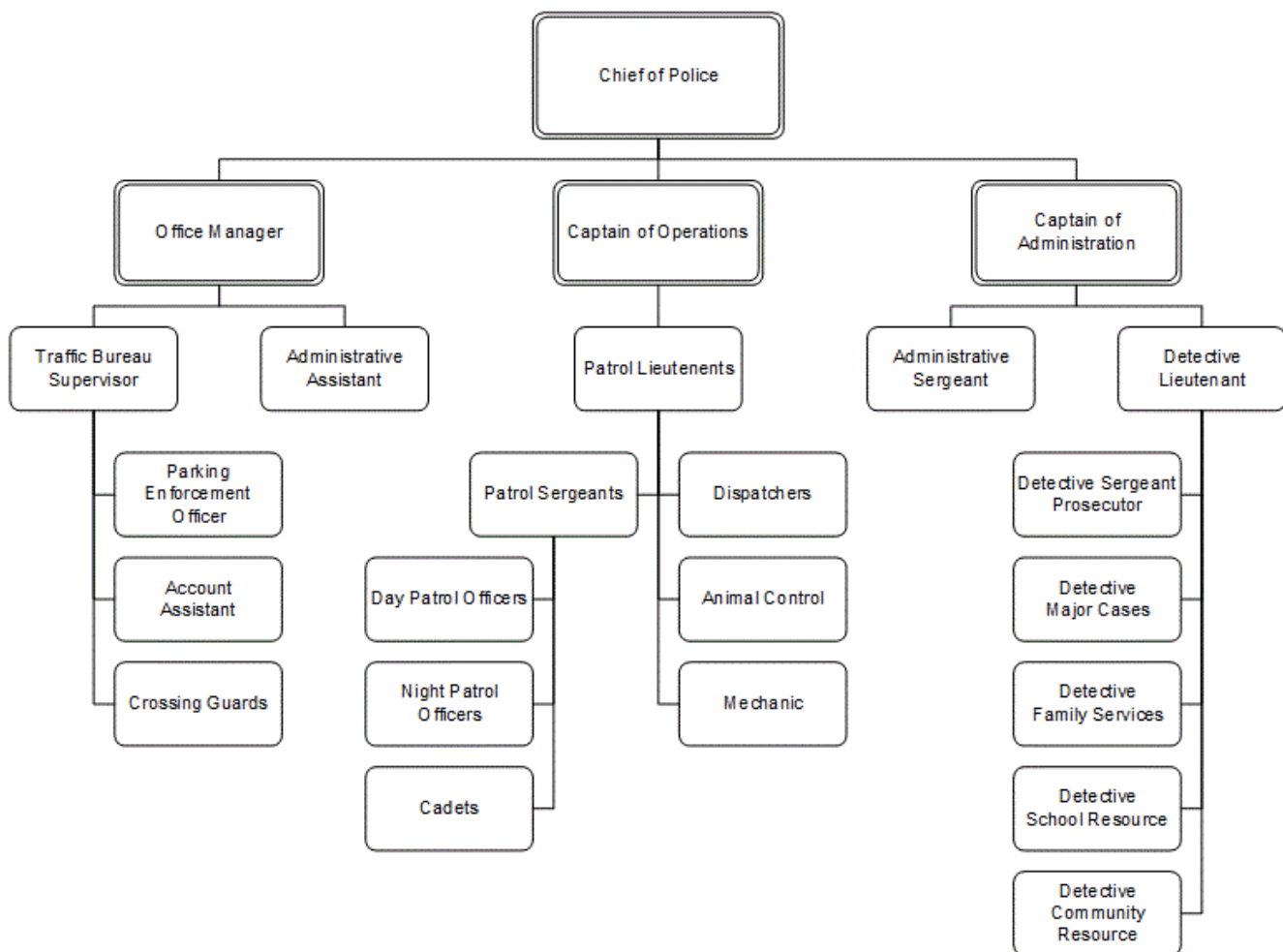
The Dispatch division is comprised of ten civilian dispatchers responsible for directing the proper resources to nearly 14,000 service calls that require a police, fire or medical unit response.

The Animal Control division entered into an agreement to share a full-time Animal Control Officer (ACO) with the Town of Bedford in October 2015, with 70%, or 27 hours per week allocated to Lexington. The ACO is an employee of the Town of Bedford, but will continue to work collaboratively with the Lexington Board of Health regarding animal related health issues.

The School Crossing guard program has 17 part-time civilian members who cover 15 school crossings during the school year. A program improvement seeks to increase these numbers to 18 part-time civilian members covering 16 crossings.

Departmental Initiatives:

1. Identify and schedule training surrounding Diversity, Equity and Inclusion (DEI), Fair and Impartial Policing (FIP) and De-escalation Techniques. Explore ways to increase our community engagement to ensure trust, accountability and transparency with the residents, work force and visitors of Lexington.
2. Continue to support and work with the Facilities Department, the Permanent Building Committee, Tecton Architects and input from citizen groups regarding the design and construction of a new police station.
3. With the anticipated hiring of a Police Chief in early 2022, and potentially other members of the command staff, continue the smooth transition plan and executive development practices that will continue to identify and develop future leaders from within the Department.



Authorized/Appropriated Staffing:

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--------------------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Chief | 1 | 1 | 1 | 1 |
| Captain of Operations | 1 | 1 | 1 | 1 |
| Captain of Administration | 1 | 1 | 1 | 1 |
| Administrative Sergeant | 1 | 1 | 1 | 1 |
| Lieutenants (Patrol) | 4 | 4 | 4 | 4 |
| Sergeants (Patrol) | 5 | 5 | 5 | 5 |
| Police Officers | 29 | 29 | 29 | 29 |
| Lieutenant (Detective) | 1 | 1 | 1 | 1 |
| Sergeant (Detective-Prosecutor) | 1 | 1 | 1 | 1 |
| Detectives; Major Case | 3 | 3 | 3 | 3 |
| Family Services Detective | 1 | 1 | 1 | 1 |
| School Resource Officer | 1 | 1 | 1 | 1 |
| Community Resource Officer | 1 | 1 | 1 | 1 |
| Cadets - 6 part-time | 3.06 | 3.06 | 3.06 | 3.06 |
| Parking Enforcement Officer | 1 | 1 | 1 | 1 |
| Dispatch Supervisor | — | 1 | 1 | 1 |
| Dispatchers | 9 | 9 | 9 | 9 |
| Office Manager | 1 | 1 | 1 | 1 |
| Traffic Bureau Supervisor | 1 | 1 | 1 | 1 |
| Administrative Assistant | 1 | 1 | 1 | 1 |
| Department Account Assistant | 1 | 1 | 1 | 1 |
| Mechanic | 1 | 1 | 1 | 1 |
| Animal Control - 1 part-time | — | — | — | — |
| Parking Lot Attendants - 8 part-time | 2.81 | 2.81 | — | — |
| Crossing Guards - 18 part-time | 3.69 | 3.69 | 3.69 | 3.91 |
| Total FTE | 74.56 | 75.56 | 72.75 | 72.97 |
| | 50 Officers | 50 Officers | 50 Officers | 50 Officers |
| Total FT/PT | 65FT/32PT | 65FT/32PT | 66FT/24PT | 66FT/25PT |

Overall staff changes from FY2020 to FY2023:

FY2021 - Dispatch Supervisor role reflects program improvement, funded via Enhanced 911 state grant.

FY2022 - Parking Lot Attendants reflect a transition at the Depot Lot from an attended lot to a pay-by-plate program

FY2023 - A program improvement requests an 18th crossing guard to cover a third location on Marrett Rd. for the Hastings School.

Budget Recommendations:

The FY2023 recommended Police Department budget is \$8,265,377 which is a \$121,230 or 1.49% increase from the FY2022 budget.

The budget for Compensation is \$7,169,307 and reflects an increase of \$50,309 or 0.71%, which is a net increase that reflects savings due to staff turnover offset by contractually obligated step increases, a program improvement to support enhanced police training under the new state certification requirements, a second program improvement which anticipates the need for staff to transport detainees to another location once the police move to their temporary location, and a third program improvement to fund a third crossing guard on Marrett Road for the Hastings Elementary School. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The budget for Expenses is \$1,096,070 and reflects an increase of \$70,921 or 6.92%. Nearly \$30,000 is due to anticipated increases in the regional gasoline contract. The majority of the remaining increase is due to the purchase of two Hybrid vehicles, increased costs associated with supplies and ammunition, increased training and mileage costs, and an increase for the contract with the Town of Bedford to fund the Animal Control Officer.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|---------------------------|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Administrative Lieutenant | \$ 141,661 | \$ 18,458 | \$ 160,119 | \$ — | \$ — | \$ — | \$ 160,119 |
| Required Police Training | \$ 41,840 | \$ 607 | \$ 42,447 | \$ 41,840 | \$ 607 | \$ 42,447 | \$ — |
| Holding Cell Shifts | \$ 44,800 | \$ 650 | \$ 45,450 | \$ 44,800 | \$ 650 | \$ 45,450 | \$ — |
| Crossing Guard | \$ 7,921 | \$ 115 | \$ 8,036 | \$ 7,921 | \$ 115 | \$ 8,036 | \$ — |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Tax Levy | \$ 7,073,419 | \$ 7,471,636 | \$ 7,613,247 | \$ 8,046,377 | \$ 433,130 | 5.69% |
| Fees & Charges | | | | | | |
| Fees | \$ 113,811 | \$ 88,026 | \$ 115,000 | \$ 115,000 | \$ — | —% |
| Fines & Forfeitures | \$ 152,654 | \$ 59,820 | \$ 101,000 | \$ 101,000 | \$ — | —% |
| Licenses & Permits | \$ 3,188 | \$ 5,100 | \$ 2,800 | \$ 3,000 | \$ 200 | 7.14% |
| Parking Fund* | \$ 312,100 | \$ 312,100 | \$ 312,100 | \$ — | \$(312,100) | -100.00% |
| Total 4100 Law Enforcement | \$ 7,655,171 | \$ 7,936,682 | \$ 8,144,147 | \$ 8,265,377 | \$ 121,230 | 1.49% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Compensation | \$ 6,753,696 | \$ 7,002,993 | \$ 7,118,998 | \$ 7,169,307 | \$ 50,309 | 0.71% |
| Expenses | \$ 901,475 | \$ 933,689 | \$ 1,025,149 | \$ 1,096,070 | \$ 70,921 | 6.92% |
| Total 4100 Law Enforcement | \$ 7,655,171 | \$ 7,936,682 | \$ 8,144,147 | \$ 8,265,377 | \$ 121,230 | 1.49% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Total 4110 Police Administration | \$ 1,799,212 | \$ 1,925,919 | \$ 1,804,589 | \$ 1,796,646 | \$ (7,943) | -0.44% |
| Total 4120 Patrol & Enforcement | \$ 3,604,027 | \$ 3,743,861 | \$ 4,001,304 | \$ 4,150,368 | \$ 149,064 | 3.73% |
| Total 4130 Traffic Bureau | \$ 463,758 | \$ 428,958 | \$ 396,075 | \$ 399,256 | \$ 3,181 | 0.80% |
| Total 4140 Investigations | \$ 870,040 | \$ 932,948 | \$ 958,461 | \$ 946,043 | \$ (12,418) | -1.30% |
| Total 4150 Dispatch | \$ 699,122 | \$ 700,905 | \$ 738,222 | \$ 722,587 | \$ (15,635) | -2.12% |
| Total 4160 Animal Control | \$ 65,812 | \$ 67,053 | \$ 69,888 | \$ 73,104 | \$ 3,216 | 4.60% |
| Total 4170 Crossing Guards | \$ 153,200 | \$ 137,039 | \$ 175,608 | \$ 177,373 | \$ 1,765 | 1.01% |
| Total 4100 Law Enforcement | \$ 7,655,171 | \$ 7,936,682 | \$ 8,144,147 | \$ 8,265,377 | \$ 121,230 | 1.49% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Salaries & Wages | \$ 5,594,835 | \$ 5,754,440 | \$ 6,172,458 | \$ 6,142,708 | \$ (29,750) | -0.48% |
| Prior Year Retro Payments | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Overtime | \$ 1,158,861 | \$ 1,248,553 | \$ 942,040 | \$ 1,022,999 | \$ 80,959 | 8.59% |
| <i>Personal Services</i> | <i>\$ 6,753,696</i> | <i>\$ 7,002,993</i> | <i>\$ 7,114,498</i> | <i>\$ 7,165,707</i> | <i>\$ 51,209</i> | <i>0.72%</i> |
| Contractual Services | \$ 342,735 | \$ 287,089 | \$ 410,742 | \$ 419,324 | \$ 8,582 | 2.09% |
| Utilities | \$ 108,729 | \$ 112,457 | \$ 128,487 | \$ 164,747 | \$ 36,260 | 28.22% |
| Supplies | \$ 223,212 | \$ 264,008 | \$ 217,281 | \$ 219,623 | \$ 2,342 | 1.08% |
| Small Capital | \$ 226,799 | \$ 270,135 | \$ 268,639 | \$ 292,376 | \$ 23,737 | 8.84% |
| <i>Expenses</i> | <i>\$ 901,475</i> | <i>\$ 933,689</i> | <i>\$ 1,025,149</i> | <i>\$ 1,096,070</i> | <i>\$ 70,921</i> | <i>6.92%</i> |
| Total 4100 Law Enforcement | \$ 7,655,171 | \$ 7,936,682 | \$ 8,139,647 | \$ 8,261,777 | \$ 122,130 | 1.50% |

*Reflects transfers from the Parking Fund to the General Fund rather than actual revenue from parking permits, Depot Square lot fees, and Pay-by-Phone and meter revenue. The fund balance is insufficient to support a transfer to the General Fund in FY2023 due to effects from the pandemic as well as sizeable capital projects in FY2022.

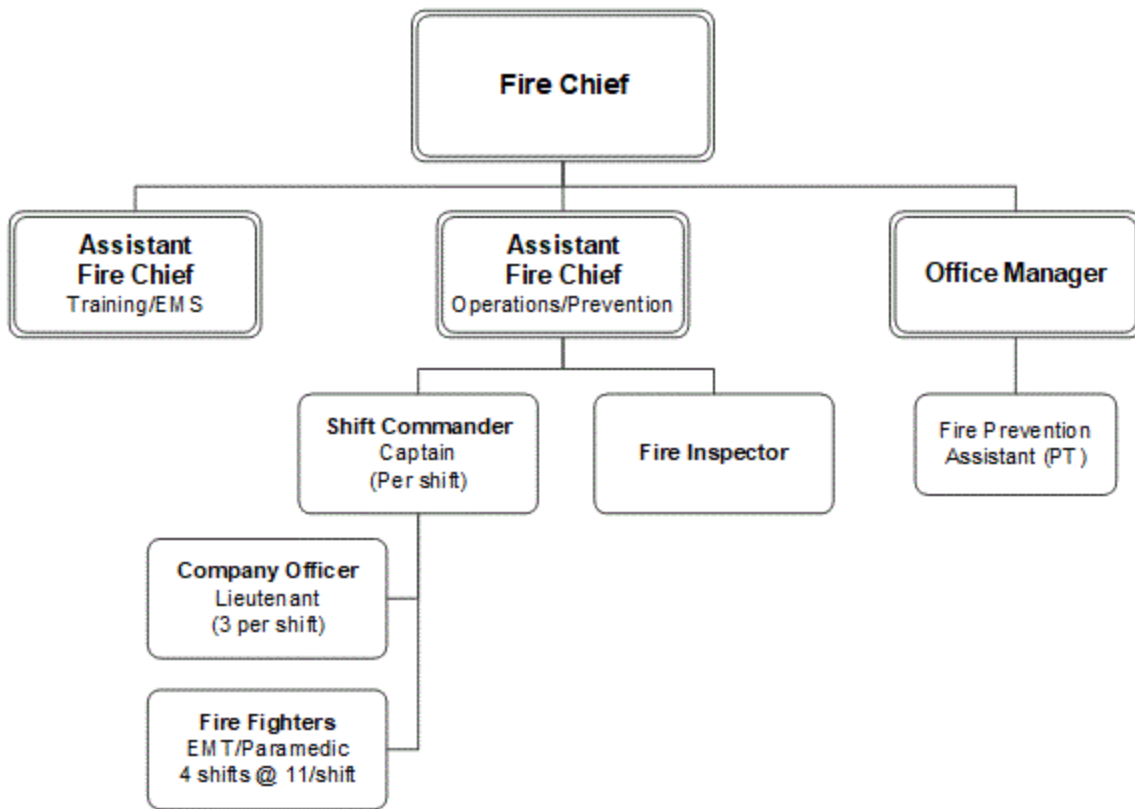
Mission: The Lexington Fire Department protects the people, homes and businesses in our community from fire, medical emergencies, hazardous material incidents and natural disasters. This is accomplished through public education, safety code management and emergency response.

Budget Overview: The Fire Department is comprised of five divisions: Administration, Fire Prevention, Fire Suppression, Emergency Medical Services and Emergency Management.

- Administration is responsible for developing policies and procedures, training, inventory control, financial and budgetary oversight, and managing the day-to-day operations of the Department.
- Fire Prevention is responsible for fire code enforcement activities, public education, plan review, permit application and approval, flammable/combustible liquid storage approval and regulatory enforcement of blasting applications and permits.
- Fire Suppression is staffed 24/7, operating out of two stations and responding to emergency calls including: fire suppression, motor vehicle accidents, medical emergencies, hazardous material responses, and other emergency incidents.
- Emergency Medical Services operates in conjunction with the Fire Suppression division, staffing two ambulances 24/7 at the Advanced Life Support (ALS) level. These vehicles respond to over 2,500 calls for assistance annually.
- Emergency Management is responsible for communications with the Federal Emergency Management Agency (FEMA) and the Massachusetts Emergency Management Agency (MEMA), as well as reviewing and commenting on numerous Townwide emergency operation plans. The Chief serves as the Emergency Management Director and the department's administrative staff support this division.

Departmental Initiatives:

1. Implement additional modules of the Public Safety Software and build out to department needs.
2. Role out online fire permitting process.
3. Develop an improved employee recruitment process to address diversity and retention.
4. Continue work on new fire headquarters as one year comes to an end and identify any needs.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Fire Chief | 1 | 1 | 1 | 1 |
| Assistant Fire Chief | 2 | 2 | 2 | 2 |
| Office Manager | 1 | 1 | 1 | 1 |
| Fire Inspector | 1 | 1 | 1 | 1 |
| Fire Captains | 4 | 4 | 4 | 4 |
| Fire Lieutenants | 12 | 12 | 12 | 12 |
| Firefighters/Paramedics | 44 | 44 | 44 | 44 |
| Fire Prevention Assistant | 0.86 | 0.86 | 0.86 | 0.86 |
| Total FTE | 65.86 | 65.86 | 65.86 | 65.86 |
| Total FT/PT | 65FT/1PT | 65FT/1PT | 65FT/1PT | 65FT/1PT |

Budget Recommendations:

The FY2023 recommended Fire Department budget is \$8,068,468. The recommended budget is a \$99,158 or 1.24% increase from the FY2022 budget.

The recommended budget for Compensation is \$7,269,665, and reflects an increase of \$22,464 or 0.31% from the revised FY2022 budget, for contractually obligated step increases. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The budget for Expenses is \$798,803 and reflects a net increase of \$76,694 or 10.62%, which includes anticipated increases in diesel fuel costs (\$12,400), increases in maintenance costs (\$10,000) for fire apparatus, ambulance and fleet vehicles; enhanced communications costs (\$2,400) to house the Emergency Command Center at fire headquarters, and a program improvement (\$48,633) for a training mannequin to allow staff to practice their life support skills.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Advanced Life Support Training and Simulation Manikin | \$ 48,633 | \$ — | \$ 48,633 | \$ 48,633 | \$ — | \$ 48,633 | \$ — |
| Medstat MS 500 EMS ATV and Trailer | \$ 84,048 | \$ — | \$ 84,048 | \$ — | \$ — | \$ — | \$ 84,048 |
| Combination Wildfire Scout and Personnel Transporter ATV | \$ 55,280 | \$ — | \$ 55,280 | \$ — | \$ — | \$ — | \$ 55,280 |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Tax Levy | \$ 5,840,461 | \$ 6,357,519 | \$ 6,550,635 | \$ 6,644,793 | \$ 94,158 | 1.44% |
| Fees & Charges | | | | | | |
| Ambulance Fees | \$ 1,321,540 | \$ 1,157,735 | \$ 1,340,000 | \$ 1,340,000 | \$ — | —% |
| Fire Department Fees | \$ 32,850 | \$ 47,395 | \$ 33,675 | \$ 33,675 | \$ — | —% |
| Licenses & Permits | \$ 55,480 | \$ 55,120 | \$ 45,000 | \$ 50,000 | \$ 5,000 | 11.11% |
| Total 4200 Fire & Rescue | \$ 7,250,331 | \$ 7,617,769 | \$ 7,969,310 | \$ 8,068,468 | \$ 99,158 | 1.24% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Compensation | \$ 6,645,325 | \$ 6,987,078 | \$ 7,247,201 | \$ 7,269,665 | \$ 22,464 | 0.31% |
| Expenses | \$ 605,006 | \$ 630,691 | \$ 722,109 | \$ 798,803 | \$ 76,694 | 10.62% |
| Total 4200 Fire & Rescue | \$ 7,250,331 | \$ 7,617,769 | \$ 7,969,310 | \$ 8,068,468 | \$ 99,158 | 1.24% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Total 4210 Fire Administration | \$ 470,901 | \$ 550,049 | \$ 582,730 | \$ 608,685 | \$ 25,955 | 4.45% |
| Total 4220 Fire Prevention | \$ 228,785 | \$ 233,563 | \$ 240,605 | \$ 245,071 | \$ 4,466 | 1.86% |
| Total 4320 Fire Suppression | \$ 6,382,277 | \$ 6,625,477 | \$ 6,928,204 | \$ 6,945,138 | \$ 16,934 | 0.24% |
| Total 4240 Emergency Medical Services | \$ 164,206 | \$ 204,780 | \$ 211,771 | \$ 261,174 | \$ 49,403 | 23.33% |
| Total 4250 Emergency Management | \$ 4,161 | \$ 3,900 | \$ 6,000 | \$ 8,400 | \$ 2,400 | 40.00% |
| Total 4200 Fire & Rescue | \$ 7,250,331 | \$ 7,617,769 | \$ 7,969,310 | \$ 8,068,468 | \$ 99,158 | 1.24% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Salaries & Wages | \$ 5,624,935 | \$ 5,878,461 | \$ 6,075,937 | \$ 6,133,174 | \$ 57,237 | 0.94% |
| Overtime | \$ 1,020,390 | \$ 1,108,616 | \$ 1,171,264 | \$ 1,136,491 | \$ (34,773) | -2.97% |
| <i>Personal Services</i> | <i>\$ 6,645,325</i> | <i>\$ 6,987,078</i> | <i>\$ 7,247,201</i> | <i>\$ 7,269,665</i> | <i>\$ 22,464</i> | <i>0.31%</i> |
| Contractual Services | \$ 287,580 | \$ 292,933 | \$ 336,304 | \$ 351,154 | \$ 14,850 | 4.42% |
| Utilities | \$ 52,053 | \$ 44,402 | \$ 67,890 | \$ 80,331 | \$ 12,441 | 18.33% |
| Supplies | \$ 263,943 | \$ 180,807 | \$ 217,415 | \$ 218,185 | \$ 770 | 0.35% |
| Small Capital | \$ 1,429 | \$ 112,549 | \$ 100,500 | \$ 149,133 | \$ 48,633 | 48.39% |
| <i>Expenses</i> | <i>\$ 605,006</i> | <i>\$ 630,691</i> | <i>\$ 722,109</i> | <i>\$ 798,803</i> | <i>\$ 76,694</i> | <i>10.62%</i> |
| Total 4200 Fire & Rescue | \$ 7,250,331 | \$ 7,617,769 | \$ 7,969,310 | \$ 8,068,468 | \$ 99,158 | 1.24% |

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Section VII: Program 5000: Culture & Recreation

This section includes detailed information about the FY2023 Operating Budget & Financing Plan for culture & recreation services. It includes:

- 5100 Cary Memorial Library VII-3
- 5200 Recreation and Community Programs VII-9

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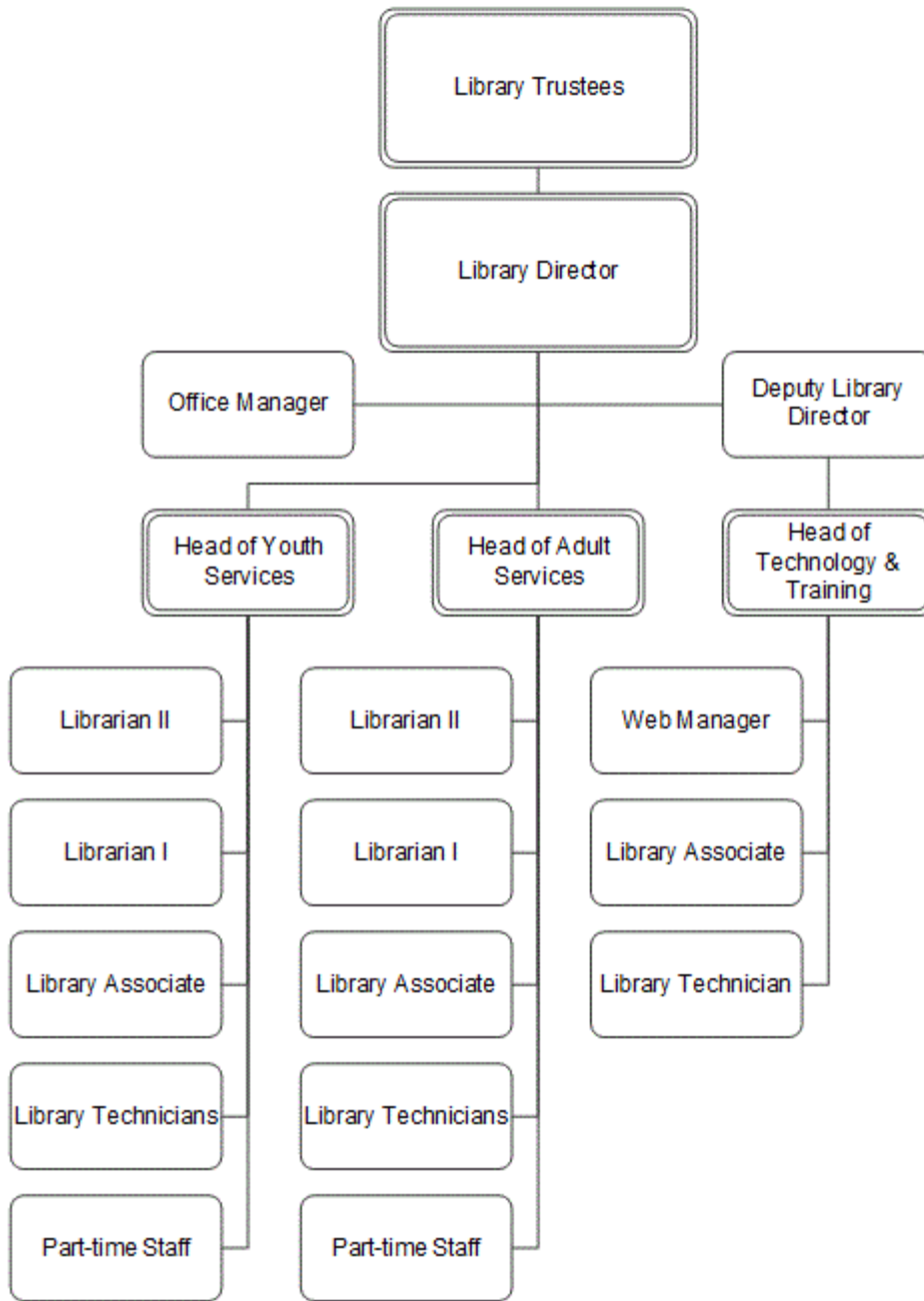
Mission: The Cary Memorial Library's mission is to ignite curiosity, engage minds, and connect our community.

Budget Overview: Cary Memorial Library is comprised of three divisions: Administration and General Services, Adult Services, and Youth Services.

- Administration and General Services includes administrative staff and webmaster salaries, as well as the supply, equipment, and Minuteman Library Network membership costs.
- Adult Services includes all adult library, technology, and bibliographic services staff as well as adult books and audiovisual materials.
- Youth Services includes all children's library staff and also includes library materials for children and teens.

Departmental Initiatives: Our Guiding Principles

1. Books, information, and so much more: We continue our 150-year-long tradition of providing books and other materials that reflect the needs and interests of Lexington residents. Though much has changed since our doors first opened in 1869, our essential function remains the same - to bring the world of information and ideas to you.
2. At the intersection of learning, making, and play: In recent years, educational research has increasingly shown that we learn best through experience - by making mistakes and trying again. In furthering this effort, we are expanding these types of learning opportunities, giving you more chances to build, create and play.
3. A place that works for everyone: We value the rich diversity of our community, and our commitment to equitable service for all is unwavering. Efforts to identify and remove barriers to access are ongoing - we are a work in progress.
4. With opportunities for human connection: In a world where technology is ever-present, we are committed to fostering human interactions. Sometimes that is as simple as providing comfortable chairs for a serendipitous meeting between old friends. Other times it takes the shape of an elaborate event with community partners and hundreds of guests. Large and small, these moments, shared among neighbors, strengthen the social fabric of Lexington.
5. A future as vibrant as our past: With more than a half million visitors each year, Cary Library is a cherished community asset and a source of civic pride. Stewardship of this resource requires equal attention to preservation and transformation.



5100 Cary Memorial Library

Authorized/Appropriated Staffing:

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---------------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Library Director | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy Library Director* | 1.0 | 1.0 | 1.0 | 1.0 |
| Office Manager | 1.0 | 1.0 | 1.0 | 1.0 |
| Head of Adult Services | 1.0 | 1.0 | 1.0 | 1.0 |
| Head of Youth Services | 1.0 | 1.0 | 1.0 | 1.0 |
| Head of Technology & Training* | — | — | 1.0 | 1.0 |
| Librarian I*** | 5.0 | 5.0 | 6.0 | 6.0 |
| Librarian II* | 5.0 | 5.0 | 4.0 | 4.0 |
| Library Associates*** | 7.0 | 7.0 | 8.0 | 8.0 |
| Library Technicians**** | 3.5 | 2.8 | 2.8 | 2.8 |
| Library Technician II***, ***** | 7.0 | 8.0 | 6.0 | 6.0 |
| Adult Pages***** | 1.6 | 1.6 | 1.6 | 2.2 |
| Student Pages***** | 0.7 | 0.7 | 0.7 | — |
| Seasonal/Sunday Substitutes | As Needed | As Needed | As Needed | As Needed |
| Total FTE | 34.8 | 35.1 | 36.1 | 36.0 |
| Total FT/PT | 26FT/23PT | 27FT/22PT | 28FT/22PT | 28FT/22PT |

*In FY2022, due to staff turnover, the Head of Technology role was broken out from the Deputy Library Director and re-established as a Department Head position. A Librarian II was assigned to the role.

**In FY2022, Fall STM approved the transfer of the Library's dedicated webmaster from the Innovation & Technology budget to the Library budget.

***In FY2022, two Library Technician IIs were reclassified to a Library Associate and a Librarian I.

****A Program Improvement in FY2020 added hours to cover the Teen Room, resulting in an increase of 0.38 FTE. In FY2021, a program improvement transitioned a part-time Technician to a full-time Technician II.

*****In FY2023 all Pages will be combined under Adult Pages.

Budget Recommendations:

The FY2023 recommended General Fund Library budget is \$3,336,219, which is a \$179,871 or 5.70% increase from the FY2022 budget.

The General Fund operating budget for Compensation is \$2,637,708, and reflects a \$112,101 or 4.44% increase, which incorporates contractually obligated step increases and cost of living increases.

The General Fund operating budget for Expenses is \$698,511 and reflects a \$67,770 or 10.74% increase, which is primarily driven by inflationary increases for supplies and materials and contractual services.

To retain certification by the Massachusetts Board of Library Commissioners, the Library must expend the equivalent of 13 percent of its annual municipal appropriation on materials. Prior to FY2016, the Town’s appropriation had been less than one-half of this required amount, with the balance coming from the Library Foundation and Friends of the Library. In FY2016, the Town approved a program improvement request that substantially closed this funding gap. In FY2021, a program improvement added funding to the materials budget to achieve 100% funding, which is continued in FY2023 at 13.7%. This was precipitated by a change in the Minuteman Library Network renewal policy, which automatically renews overdue materials, if available, and has dramatically reduced revenues from fines which were primarily used for materials costs.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|------------------------------------|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Full-Time Youth Services Librarian | \$ 69,456 | \$ 17,411 | \$ 86,867 | \$ — | \$ — | \$ — | \$ 86,867 |
| Library Fellowship | \$ 5,080 | \$ 74 | \$ 5,154 | \$ — | \$ — | \$ — | \$ 5,154 |

5100 Cary Memorial Library

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Tax Levy | \$ 2,736,466 | \$ 2,725,127 | \$ 3,156,348 | \$ 3,336,219 | \$ 179,871 | 5.70% |
| Total 5100 Library | \$ 2,736,466 | \$ 2,725,127 | \$ 3,156,348 | \$ 3,336,219 | \$ 179,871 | 5.70% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Compensation | \$ 2,265,546 | \$ 2,162,069 | \$ 2,525,607 | \$ 2,637,708 | \$ 112,101 | 4.44% |
| Expenses | \$ 470,920 | \$ 563,057 | \$ 630,741 | \$ 698,511 | \$ 67,770 | 10.74% |
| Total 5100 Library | \$ 2,736,466 | \$ 2,725,127 | \$ 3,156,348 | \$ 3,336,219 | \$ 179,871 | 5.70% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Total 5110 Admin. & General Services | \$ 493,941 | \$ 522,196 | \$ 592,832 | \$ 654,704 | \$ 61,872 | 10.44% |
| Total 5120 Adult Services | \$ 1,565,355 | \$ 1,492,243 | \$ 1,682,180 | \$ 1,776,326 | \$ 94,146 | 5.60% |
| Total 5130 Youth Services | \$ 677,170 | \$ 710,687 | \$ 881,336 | \$ 905,189 | \$ 23,853 | 2.71% |
| Total 5100 Library | \$ 2,736,466 | \$ 2,725,127 | \$ 3,156,348 | \$ 3,336,219 | \$ 179,871 | 5.70% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Salaries & Wages | \$ 2,223,069 | \$ 2,161,492 | \$ 2,462,578 | \$ 2,572,582 | \$ 110,004 | 4.47% |
| Prior Year Retro Payments | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Overtime (Sunday Premium) | \$ 42,477 | \$ 578 | \$ 63,029 | \$ 65,126 | \$ 2,097 | 3.33% |
| <i>Personal Services</i> | <i>\$ 2,265,546</i> | <i>\$ 2,162,069</i> | <i>\$ 2,525,607</i> | <i>\$ 2,637,708</i> | <i>\$ 112,101</i> | <i>4.44%</i> |
| Contractual Services | \$ 121,295 | \$ 124,486 | \$ 141,111 | \$ 160,752 | \$ 19,641 | 13.92% |
| Utilities | \$ 8,153 | \$ 7,353 | \$ 8,200 | \$ 5,000 | \$ (3,200) | -39.02% |
| Supplies | \$ 313,613 | \$ 392,521 | \$ 441,430 | \$ 492,759 | \$ 51,329 | 11.63% |
| Small Capital | \$ 27,859 | \$ 38,697 | \$ 40,000 | \$ 40,000 | \$ — | —% |
| <i>Expenses</i> | <i>\$ 470,920</i> | <i>\$ 563,057</i> | <i>\$ 630,741</i> | <i>\$ 698,511</i> | <i>\$ 67,770</i> | <i>10.74%</i> |
| Total 5100 Library | \$ 2,736,466 | \$ 2,725,127 | \$ 3,156,348 | \$ 3,336,219 | \$ 179,871 | 5.70% |

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Mission: The Department of Recreation and Community Programs strives to provide the community opportunities to engage in quality, inclusive and accessible programs and services.

Budget Overview: The Department operates as an Enterprise Fund whereby program and facility fees must cover the direct cost of operations including all full- and part-time staff and program, services and facility expenses including supplies, equipment, utilities and wages/overhead. As such, the operating budget may increase or decrease year to year to meet changes in enrollment and facility use demands. The Director of Recreation and Community Programs, through the Recreation Committee, sets program fees with the approval of the Select Board. The operating budget supports staff who manage and deliver programs along with the supplies and equipment needed to operate those programs and services in addition to seven full-time staff. The Enterprise Fund is comprised of four divisions: Recreation, Pine Meadows Golf Club, Community Center and the Administrative Division. The Administrative Division was created in FY2020 to centralize administrative support for the business aspects within the Recreation, Pine Meadows and Community Center operations.

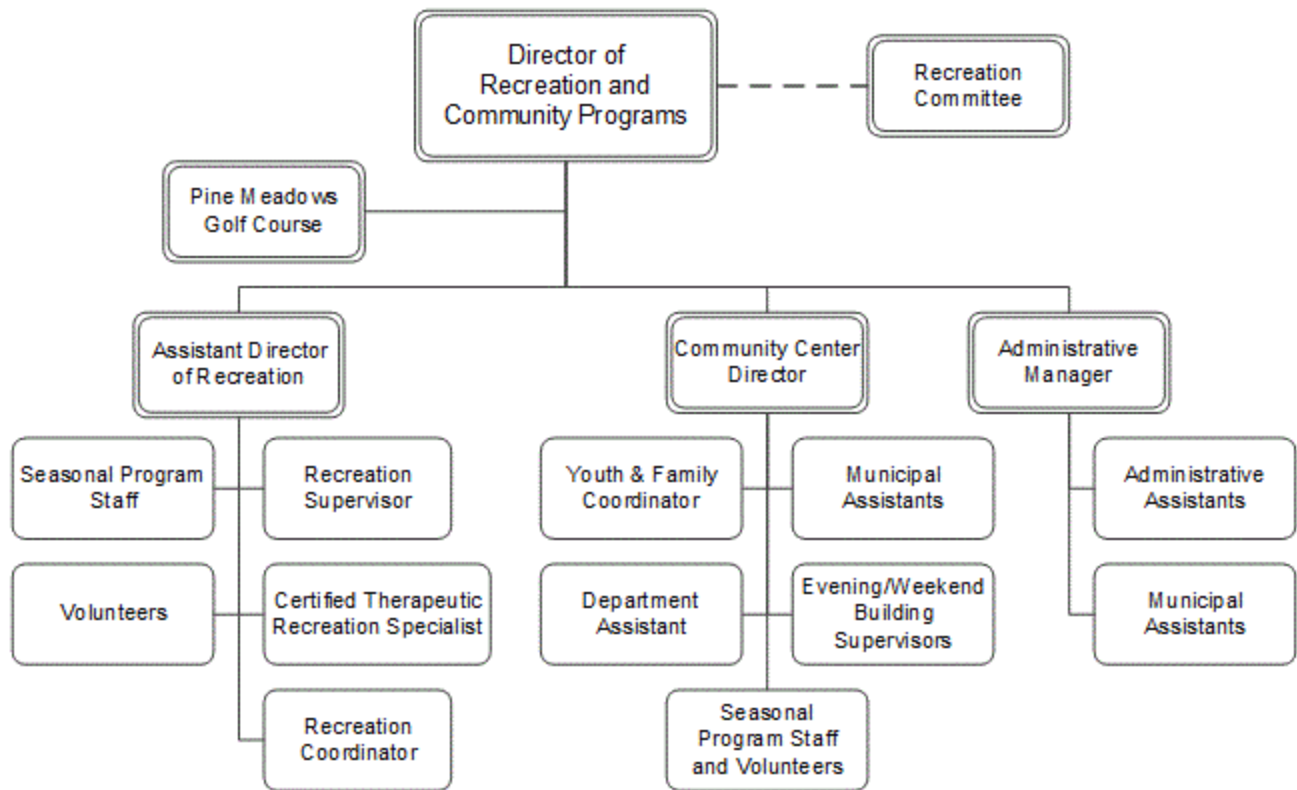
Program revenues (Recreation, Pine Meadows Golf Club and Community Center) also help fund Capital Improvement Projects. In FY2023, the Department's contribution to the General Fund to cover the costs of employee benefits and indirect services has been reintroduced. Staff will be working to provide options for alternative funding models for the Department to the Fiscal Guideline Working Group. That model may be implemented as soon as FY2024.

The Department offers a wide variety of leisure, socialization and recreational opportunities for individuals of all ages and abilities. Staff plan, schedule and coordinate programs, activities and special events at Outdoor Recreation Facilities such as, parks, playgrounds, athletic fields, tennis and basketball courts, the Town Pool, Old Reservoir and Pine Meadows Golf Club. Other outdoor resources include Conservation and Open Spaces. Additionally, the indoor facilities the department utilize include the Community Center, the Public Schools, off-site and out-of-town venues.

Departmental Initiatives:

1. Implement the Key Findings of the 2020 Town of Lexington Community Needs Assessment along with the recommendations from the 2017 Recreation Facilities ADA Compliance Study in the development of the operational and capital improvement planning for the future needs of the community.
2. Recommend and implement Key Findings of the 2021 Athletic Fields Feasibility Study.
3. Continue the growth and implementation of the department's therapeutic, adaptive and inclusive recreation programming.
4. Explore alternative funding sources for the Recreation and Community Programs Department in order to sustain the Recreation Enterprise Fund and operations.
5. Support Townwide cultural and historic events.
6. Support Townwide diversity equity and inclusion initiatives.

5200 Recreation & Community Programs



Note: Pine Meadows staffing is provided via contractual services.
Oversight is provided by the Director of Recreation and Community Programs.

5200 Recreation & Community Programs

Authorized/Appropriated Staffing

| Element: 5210 Administration | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---|----------------------|----------------------|----------------------|-----------------------|
| Director of Recreation and Community Programs | 1 | 1 | 1 | 1 |
| Administrative Manager | 1 | 1 | 1 | 1 |
| Municipal Assistant* | 0.68 | — | — | — |
| Administrative Assistant** | 2 | 1.8 | 1.8 | 1.8 |
| Subtotal FTE | 4.68 | 3.8 | 3.8 | 3.8 |

| | | | | |
|-----------------------|----------------|----------------|----------------|----------------|
| Subtotal FT/PT | 4FT/2PT | 4FT/2PT | 3FT/1PT | 3FT/1PT |
|-----------------------|----------------|----------------|----------------|----------------|

| Element: 5220 Recreation | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---|----------------------|----------------------|----------------------|-----------------------|
| Assistant Director | 1 | 1 | 1 | 1 |
| Recreation Supervisor | 1 | 1 | 1 | 1 |
| Recreation Coordinator*** | — | — | — | 0.4 |
| Certified Therapeutic Recreation Specialist**** | 0.34 | 1 | 1 | 1 |
| Seasonal (Part-time) | 225+/- | 225+/- | 225+/- | 225+/- |
| Subtotal FTE | 2.34 | 3.0 | 3.0 | 3.4 |

| | | | | |
|-----------------------|----------------|----------------|----------------|----------------|
| Subtotal FT/PT | 2FT/1PT | 2FT/1PT | 3FT/0PT | 3FT/1PT |
|-----------------------|----------------|----------------|----------------|----------------|

| Element: 5240 Community Center | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---------------------------------------|----------------------|----------------------|----------------------|-----------------------|
| Community Center Director | 1 | 1 | 1 | 1 |
| Youth & Family Coordinator | 1 | 1 | 1 | 1 |
| Department Assistant | 1 | 1 | 1 | 1 |
| Municipal Assistant (3, PT)* | 1 | — | 1 | 1 |
| Building Supervisor (2, PT)* | 1 | — | 1 | 1 |
| Seasonal (Part-time) | 50+/- | 50+/- | 50+/- | 50+/- |
| Subtotal FTE | 5 | 3 | 5 | 5 |

| | | | | |
|-----------------------|------------------|------------------|------------------|------------------|
| Subtotal FT/PT | 3 FT/4 PT | 3 FT/0 PT | 3 FT/5 PT | 3 FT/5 PT |
|-----------------------|------------------|------------------|------------------|------------------|

| | | | | |
|------------------|--------------|------------|-------------|-------------|
| Total FTE | 12.02 | 9.8 | 11.8 | 12.2 |
|------------------|--------------|------------|-------------|-------------|

| | | | | |
|--------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| Total FT/PT | 9FT/7PT + Seasonal | 9FT/7PT + Seasonal | 10FT/6PT + Seasonal | 10FT/7PT + Seasonal |
|--------------------|---------------------------|---------------------------|----------------------------|----------------------------|

*In FY2021, in light of the Community Center being closed, a number of staff were furloughed.

**The incumbent in the Administrative Assistant role has requested a 4-day schedule.

***A part-time Recreation Coordinator is requested as a program improvement in FY2023.

****In FY2019, a part-time Certified Therapeutic Recreation Specialist was added to staff for the full year. In FY2021, the position was expanded to full-time.

5200 Recreation & Community Programs

Budget Recommendations:

The FY2023 recommended budget for the Department of Recreation and Community Programs - comprised of four divisions: Pine Meadows Golf, Recreation, Community Center and Administrative - is \$3,425,097. The recommended budget is an increase of \$835,161 or 32.25% from the FY2022 budget, which anticipated a slow resumption of pre-pandemic activity levels.

It should be noted that the Recreation and Community Programs Department operating budget has historically been supported solely from program fees. In FY2016, with the opening of the Community Center, the tax levy began to contribute the equivalent of the wages and benefits for the three full-time employees who are most closely involved with managing the Community Center operations and programming. This will continue in FY2023, with \$242,790 being proposed in General Fund support of Community Center wages.

The Community Center provides free drop-in programs and opportunities to promote social, emotional, and cognitive well-being and wellness for residents of all ages and abilities. It provides residents with a wide variety of programs that are fun, educational and life-enriching. The Community Center provides opportunities and access to all residents that are generally not supported through fees, in addition to many programs, activities and services that may require a fee. The customer service counter at the Center supports the Community Center, including the operations of the Human Services and the Recreation & Community Programs Departments, allowing for one-stop shopping for services and programs.

The recommended budget for Compensation is \$1,567,753, which is a \$225,552 or 16.80% increase from the FY2022 budget, and reflects a return to more comprehensive programming, as well as step increases, cost-of-living adjustments, and a rate increase for Seasonal staff commensurate with the January 2022 state minimum wage increase.

The recommended budget for Expenses is \$1,571,240 and reflects a \$323,505 or 25.93% increase from the FY2022 budget, primarily due to the introduction of new programming and the ability to resume offering a wide, diverse and accessible variety of in-person and virtual recreational programming for the community, post-pandemic. The recommended budget for the operation of the Pine Meadows Golf Course is \$550,800 and reflects a net increase of \$3,000 or 0.55%. The current course management contract was awarded in December 2018 for a contract period of 3 years beginning January 2019 through December 2021, with options for annual renewals through December 2023.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|------------------------------------|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Community Center Furniture | \$ 25,000 | \$ — | \$ 25,000 | \$ — | \$ — | \$ — | \$ 25,000 |
| Community Center Generator | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Vehicle Replacement | \$ 47,000 | \$ — | \$ 47,000 | \$ 47,000 | \$ — | \$ 47,000 | \$ — |
| Part-time Recreation Coordinator | \$ 25,000 | \$ 363 | \$ 25,363 | \$ 25,000 | \$ 363 | \$ 25,363 | \$ — |
| Program Guide - Mailing & Printing | \$ 55,000 | \$ — | \$ 55,000 | \$ 55,000 | \$ — | \$ 55,000 | \$ — |

5200 Recreation & Community Programs

Program: Culture & Recreation
Town of Lexington, MA

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Tax Levy | \$ 208,859 | \$ 618,916 | \$ 509,215 | \$ 242,790 | \$ (266,425) | -52.32% |
| Enterprise Funds | | | | | | |
| Retained Earnings | \$ 375,000 | \$ 375,000 | \$ — | \$ 375,000 | \$ 375,000 | —% |
| Recreation User Charges | \$ 759,909 | \$ 1,062,285 | \$ 1,026,718 | \$ 1,461,752 | \$ 435,034 | 42.37% |
| Community Center User Charges | \$ 372,293 | \$ 252,313 | \$ 297,655 | \$ 445,555 | \$ 147,900 | 49.69% |
| Golf User Charges | \$ 759,738 | \$ 1,162,256 | \$ 756,348 | \$ 900,000 | \$ 143,652 | 18.99% |
| Investment Income | \$ 8,176 | \$ 3,206 | \$ — | \$ — | \$ — | —% |
| Total 5200 Recreation | \$ 2,483,975 | \$ 3,473,975 | \$ 2,589,936 | \$ 3,425,097 | \$ 835,161 | 32.25% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|---------------------|---------------------|----------------------|---------------------|-------------------|------------------|
| Compensation | \$ 1,246,075 | \$ 896,659 | \$ 1,342,201 | \$ 1,567,753 | \$ 225,552 | 16.80% |
| Expenses | \$ 1,048,005 | \$ 892,248 | \$ 1,247,735 | \$ 1,571,240 | \$ 323,505 | 25.93% |
| Debt Service | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Indirect Costs (Trans. to Gen. Fund) | \$ 269,681 | \$ 277,771 | \$ — | \$ 286,104 | \$ 286,104 | —% |
| Total 5200 Recreation | \$ 2,563,760 | \$ 2,066,677 | \$ 2,589,936 | \$ 3,425,097 | \$ 835,161 | 32.25% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------|---------------------|---------------------|----------------------|---------------------|-------------------|------------------|
| Total 5210 Administration | \$ 422,614 | \$ 367,309 | \$ 413,114 | \$ 532,078 | \$ 118,964 | 28.80% |
| Total 5220 Recreation | \$ 862,440 | \$ 544,972 | \$ 1,100,745 | \$ 1,426,153 | \$ 325,408 | 29.56% |
| Total 5230 Pine Meadows | \$ 444,270 | \$ 526,933 | \$ 547,800 | \$ 550,800 | \$ 3,000 | 0.55% |
| Total 5240 Community Center | \$ 564,755 | \$ 349,692 | \$ 528,277 | \$ 629,962 | \$ 101,685 | 19.25% |
| Indirect Costs | \$ 269,681 | \$ 277,771 | \$ — | \$ 286,104 | \$ 286,104 | —% |
| Total 5200 Recreation | \$ 2,563,760 | \$ 2,066,677 | \$ 2,589,936 | \$ 3,425,097 | \$ 835,161 | 32.25% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------|---------------------|---------------------|----------------------|---------------------|-------------------|------------------|
| Salaries & Wages | \$ 1,245,956 | \$ 896,567 | \$ 1,342,201 | \$ 1,567,753 | \$ 225,552 | 16.80% |
| Overtime | \$ 118 | \$ 92 | \$ — | \$ — | \$ — | —% |
| <i>Personal Services</i> | <i>\$ 1,246,075</i> | <i>\$ 896,659</i> | <i>\$ 1,342,201</i> | <i>\$ 1,567,753</i> | <i>\$ 225,552</i> | <i>16.80%</i> |
| Contractual Services | \$ 952,915 | \$ 802,222 | \$ 1,050,840 | \$ 1,278,350 | \$ 227,510 | 21.65% |
| Utilities | \$ 49,837 | \$ 39,636 | \$ 82,850 | \$ 95,385 | \$ 12,535 | 15.13% |
| Supplies | \$ 45,252 | \$ 50,389 | \$ 107,045 | \$ 133,505 | \$ 26,460 | 24.72% |
| Small Capital | \$ — | \$ — | \$ 7,000 | \$ 64,000 | \$ 57,000 | 814.29% |
| <i>Expenses</i> | <i>\$ 1,048,005</i> | <i>\$ 892,248</i> | <i>\$ 1,247,735</i> | <i>\$ 1,571,240</i> | <i>\$ 323,505</i> | <i>25.93%</i> |
| Debt | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Indirect | \$ 269,681 | \$ 277,771 | \$ — | \$ 286,104 | \$ 286,104 | —% |
| Total 5200 Recreation | \$ 2,563,760 | \$ 2,066,677 | \$ 2,589,936 | \$ 3,425,097 | \$ 835,161 | 32.25% |

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Section VIII: Program 6000: Human Services

This section includes detailed information about the FY2023 Operating Budget & Financing Plan for Human Services. It includes:

- 6100-6200 Administration; Veteran's Services; Youth and Family Services and Community Programs; and Transportation Services

VIII-2

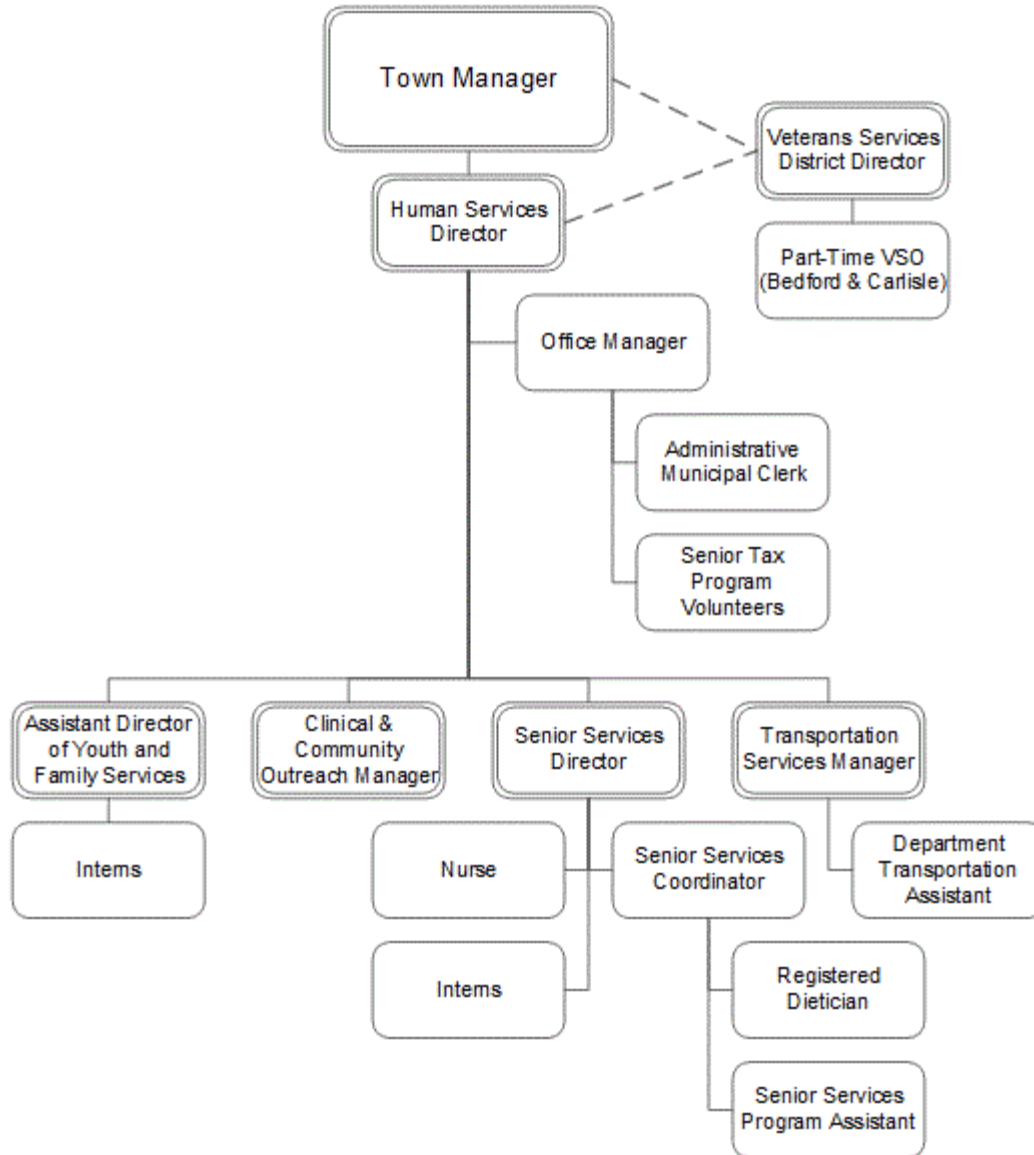
Mission: The Human Services Department connects Lexington residents across the lifespan to information, support and services that promote health and well being; and is responsible for managing the Lexpress bus system, Lex-Connect taxi, and other transportation initiatives. The department seeks to identify the unmet needs of our community by providing outreach and prevention services to families, seniors, veterans and youth.

Budget Overview: The Human Services Department is organized to provide services and support to residents of all ages. Department Staff oversee the following divisions: Administration and Outreach, Senior Services, Youth and Family Services, Veterans' Services and Transportation Services. Since moving to the Lexington Community Center in 2015, attendance, walk-in visits, phone calls and requests for information have increased significantly.

Staff from Senior Services and Youth and Family Services provide senior, youth and intergenerational programming, assessments, information and referral, short-term counseling, financial assistance, consultation on life changes, support and light case management. Veterans' services staff provide veterans in Lexington, Bedford, and Carlisle with information, connection to State and Federal benefits, and support, as well as work with colleagues to plan Town celebrations and special events that honor Veterans. Transportation Staff manage the Lexpress bus and Lex-Connect taxi, as well as provide travel consultation on other transit options.

Departmental Initiatives:

1. Continue to identify and implement programming specific to diversity, equity, and inclusion, as well as participate in Town-sponsored racial justice initiatives.
2. Continue implementation of the CHNA 15 grant funded work of the Mental Health Task Force that includes collaboration with Town, School, and community stakeholders to assess and respond to community mental health needs and provide aligned approaches in regards to prevention, intervention, and critical incident response services to the Lexington Community.
3. Continue implementation of action plan based on findings and recommendations from Age Friendly needs assessment. Collaborate on Comprehensive Plan with continued participation in an advisory and advocacy capacity.
4. Begin to implement transit regionalization plan, which includes viable steps towards regionalizing transportation services as well as a funding plan. Regionalization of transit services will enhance transportation through the network effect, create more coordinated services with acceptable minimum services levels, and identify sustainable funding mechanisms to further enhance transportation for all.
5. Continue to support and promote access to mental health services through direct therapeutic services as well as through the William James INTERFACE Referral Service.



6100-6200 Program Summary

Authorized/Appropriated Staffing:

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---|--------------------------|--------------------------|--------------------------|---------------------------|
| Director of Human Services | 1 | 1 | 1 | 1 |
| Senior Services Director* | 1 | 1 | 1 | 1 |
| Assistant Director of Youth and Family Services | 1 | 1 | 1 | 1 |
| Clinical & Community Outreach Manager* | 1 | 1 | 1 | 1 |
| Senior Services Coordinator | 1 | 1 | 1 | 1 |
| Senior Services Nurse | 0.57 | 0.57 | 0.57 | 0.57 |
| Office Manager | 1 | 1 | 1 | 1 |
| Municipal Clerk (Part-time) | 0.69 | 0.69 | 0.69 | 0.69 |
| Veterans' Services District Director | 1 | 1 | 1 | 1 |
| Veterans' Services Officer | 0.51 | 0.51 | 0.51 | 0.51 |
| Transportation Services Manager** | 0.80 | 1 | 1 | 1 |
| Department Transportation Assistant | 0.80 | 0.80 | 0.80 | 0.80 |
| Registered Dietician*** | PT | PT | PT | PT |
| Volunteer Coordinator/Program Assistant*** | PT | PT | PT | PT |
| Total FTE | 10.37 | 10.57 | 10.57 | 10.57 |
| Total FT/PT | 7FT / 7PT | 8FT / 6PT | 8FT / 6PT | 8FT / 6PT |

Explanatory Notes:

*Two positions received title changes in FY2021 to better explain roles externally: Assistant Director of Senior Services was changed to Senior Services Director. Outreach Coordinator was changed to Clinical & Community Outreach Manager.

**The Transportation Services Manager position transitioned from 28 hours to full-time (35 hours) in FY2021 through a program improvement.

***The part-time temporary positions of Registered Dietician and Volunteer Coordinator/Program Assistant are fully funded by grants from the Executive Office of Elder Affairs.

Budget Recommendations:

The recommended FY2023 All Funds Human Services budget is \$1,847,930 which is a \$251,997 or 15.79% increase from the revised FY2022 budget. The All Funds budget includes funding from a Massachusetts Executive Office of Elder Affairs (EOEA) grant, the Massachusetts Bay Transportation Authority (MBTA) Suburban Transportation grant, and the Senior Services Revolving Fund. In addition, the Towns of Bedford and Carlisle fund a portion of the Veterans' Services budget through an Intermunicipal Veterans' District agreement.

The Human Services FY2023 recommended General Fund operating budget request is \$1,527,421 and reflects a \$249,956 or 19.57% increase from the revised FY2022 budget.

The General Fund operating budget for Compensation is \$717,650, and reflects a \$27,176 or 3.94% increase, which reflects the cost of contractually obligated step increases. Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The General Fund operating budget for Expenses is \$809,771 and reflects a \$222,780 or 37.95% increase, which is a net change that reflects an increase for contractually obligated Lexpress costs, as well as \$200,000 to restore a one-time diversion of funds to a Lexpress operating grant in FY2022. For FY2023, funding for the William James Interface Mental Health Referral Service will be shared between the municipal and school budgets.

Program Improvement Requests:

None requested.

6100-6200 Program Summary

Budget Summary - General Fund

| Funding Sources (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|
| Tax Levy | \$ 1,034,317 | \$ 1,127,471 | \$ 1,130,298 | \$ 1,387,945 | \$ 257,647 | 22.79 % |
| Veteran Benefits Reimbursement | \$ 56,702 | \$ 61,498 | \$ 22,167 | \$ 14,476 | \$ (7,691) | -34.70 % |
| TDM Allocation | \$ 95,000 | \$ 95,000 | \$ 95,000 | \$ 95,000 | \$ — | — % |
| Fees | | | | | | |
| Lexpress Fares | \$ 56,642 | \$ 9,506 | \$ 30,000 | \$ 30,000 | \$ — | — % |
| Total 6000 - General Fund | \$ 1,242,662 | \$ 1,293,475 | \$ 1,277,465 | \$ 1,527,421 | \$ 249,956 | 19.57 % |

Appropriation Summary (General Fund)

| | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|---------------------|-----------------------|--------------------|---------------------|
| Compensation | \$ 631,965 | \$ 636,367 | \$ 690,474 | \$ 717,650 | \$ 27,176 | 3.94 % |
| Expenses | \$ 610,696 | \$ 657,109 | \$ 586,991 | \$ 809,771 | \$ 222,780 | 37.95 % |
| Total 6000 - General Fund | \$ 1,242,662 | \$ 1,293,475 | \$ 1,277,465 | \$ 1,527,421 | \$ 249,956 | 19.57 % |

Program Summary (General Fund)

| | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|---------------------|---------------------|---------------------|-----------------------|--------------------|---------------------|
| Total 6110 Administration | \$ 194,900 | \$ 211,492 | \$ 226,584 | \$ 237,334 | \$ 10,750 | 4.74 % |
| Total 6140 Veterans' Services | \$ 85,548 | \$ 56,748 | \$ 90,048 | \$ 91,554 | \$ 1,506 | 1.67 % |
| Total 6150 Youth & Family Services | \$ 159,566 | \$ 184,651 | \$ 206,118 | \$ 212,253 | \$ 6,135 | 2.98 % |
| Total 6170 Senior Services & Community Programs | \$ 156,245 | \$ 146,415 | \$ 192,959 | \$ 198,454 | \$ 5,495 | 2.85 % |
| Total 6210 Transportation Services | \$ 646,403 | \$ 694,168 | \$ 561,756 | \$ 787,826 | \$ 226,070 | 40.24 % |
| Total 6000 - General Fund | \$ 1,242,662 | \$ 1,293,475 | \$ 1,277,465 | \$ 1,527,421 | \$ 249,956 | 19.57 % |

Object Code Summary (General Fund)

| | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|---------------------|---------------------|---------------------|-----------------------|--------------------|---------------------|
| Salaries & Wages | \$ 631,965 | \$ 636,367 | \$ 690,474 | \$ 717,650 | \$ 27,176 | 3.94 % |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Personal Services</i> | <i>\$ 631,965</i> | <i>\$ 636,367</i> | <i>\$ 690,474</i> | <i>\$ 717,650</i> | <i>\$ 27,176</i> | <i>3.94 %</i> |
| Contractual Services | \$ 583,248 | \$ 638,725 | \$ 548,561 | \$ 770,796 | \$ 222,235 | 40.51 % |
| Utilities | \$ 3,168 | \$ 3,266 | \$ 3,240 | \$ 3,240 | \$ — | — % |
| Supplies | \$ 21,389 | \$ 12,849 | \$ 31,690 | \$ 31,235 | \$ (455) | -1.44 % |
| Small Capital | \$ 2,891 | \$ 2,269 | \$ 3,500 | \$ 4,500 | \$ 1,000 | 28.57 % |
| <i>Expenses</i> | <i>\$ 610,696</i> | <i>\$ 657,109</i> | <i>\$ 586,991</i> | <i>\$ 809,771</i> | <i>\$ 222,780</i> | <i>37.95 %</i> |
| Total 6000 - General Fund | \$ 1,242,662 | \$ 1,293,475 | \$ 1,277,465 | \$ 1,527,421 | \$ 249,956 | 19.57 % |

Budget Summary - Revolving Funds* and Grants

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-----------------|------------------|
| EOEA Grant | \$ 94,762 | \$ 94,764 | \$ 94,764 | \$ 94,764 | \$ — | — % |
| Veterans Services Regional Funding | \$ 58,293 | \$ 89,671 | \$ 92,461 | \$ 95,745 | \$ 3,284 | 3.55 % |
| Senior Services Revolving Fund* | \$ 33,638 | \$ 8,151 | \$ 75,000 | \$ 75,000 | \$ — | — % |
| MBTA Grant | \$ 54,080 | \$ 56,243 | \$ 56,243 | \$ 55,000 | \$ (1,243) | -2.21 % |
| Total 6000 - Non-General Fund | \$ 240,773 | \$ 248,830 | \$ 318,468 | \$ 320,509 | \$ 2,041 | 0.64 % |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriations Summary (Non-General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|-------------------|-------------------|-------------------|--------------------|-----------------|------------------|
| EOEA Grant | \$ 89,721 | \$ 99,831 | \$ 94,764 | \$ 94,764 | \$ — | —% |
| <i>Personal Services</i> | \$ 62,628 | \$ 79,391 | \$ 67,346 | \$ 68,447 | \$ 1,101 | 1.63 % |
| <i>Expenses</i> | \$ 27,093 | \$ 20,440 | \$ 27,418 | \$ 26,317 | \$ (1,101) | -4.02 % |
| Veterans' Services Regional Funding | \$ 57,936 | \$ 94,177 | \$ 92,461 | \$ 95,745 | \$ 3,284 | 3.55% |
| <i>Personal Services</i> | \$ 55,670 | \$ 92,952 | \$ 90,116 | \$ 93,320 | \$ 3,204 | 3.56 % |
| <i>Expenses</i> | \$ 2,266 | \$ 1,225 | \$ 2,345 | \$ 2,425 | \$ 80 | 3.41 % |
| Senior Services Revolving Fund | | | | | | |
| <i>Expenses</i> | \$ 38,157 | \$ 6,469 | \$ 75,000 | \$ 75,000 | \$ — | — % |
| MBTA Grant - Transportation Services | | | | | | |
| <i>Expenses</i> | \$ 54,080 | \$ 56,243 | \$ 56,243 | \$ 55,000 | \$ (1,243) | -2.21 % |
| Total 6000 - Non-General Fund | \$ 239,895 | \$ 256,720 | \$ 318,468 | \$ 320,509 | \$ 2,041 | 0.64 % |

Budget Summary - All Funds

| Appropriation Summary (All Funds) | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|---------------------|---------------------|-------------------|------------------|
| Compensation | \$ 750,264 | \$ 808,710 | \$ 847,936 | \$ 879,417 | \$ 31,481 | 3.71 % |
| Expenses | \$ 732,293 | \$ 741,486 | \$ 747,997 | \$ 968,513 | \$ 220,516 | 29.48 % |
| Total 6000 Human Services (All Funds) | \$ 1,482,556 | \$ 1,550,195 | \$ 1,595,933 | \$ 1,847,930 | \$ 251,997 | 15.79 % |

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Section IX: Program 7000: Land Use, Health and Development Department

This section includes detailed information about the FY2023 Operating Budget & Financing Plan for the Land Use, Health and Development Department. It includes:

- 7100-7400 Summary IX-3
- 7110 Building and Zoning IX-10
- 7120 Administration IX-14
- 7130 Conservation IX-16
- 7140 Health IX-20
- 7200 Planning IX-24
- 7300 Economic Development IX-28

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7100-7400 Program Summary

Mission: The Land Use, Health and Development Department includes those offices that manage and promote residential and commercial development in Lexington while protecting the health and safety of residents through local bylaws, regulations, and best practices, as well as State statutes and regulations, in the areas of public health, building code, zoning, economic development, wetland protection, conservation and land-use. By consolidating these various operations under the management of an Assistant Town Manager, the Town is able to further streamline code enforcement, program and policy development, and outreach and educational activities related to commercial, residential and public development.

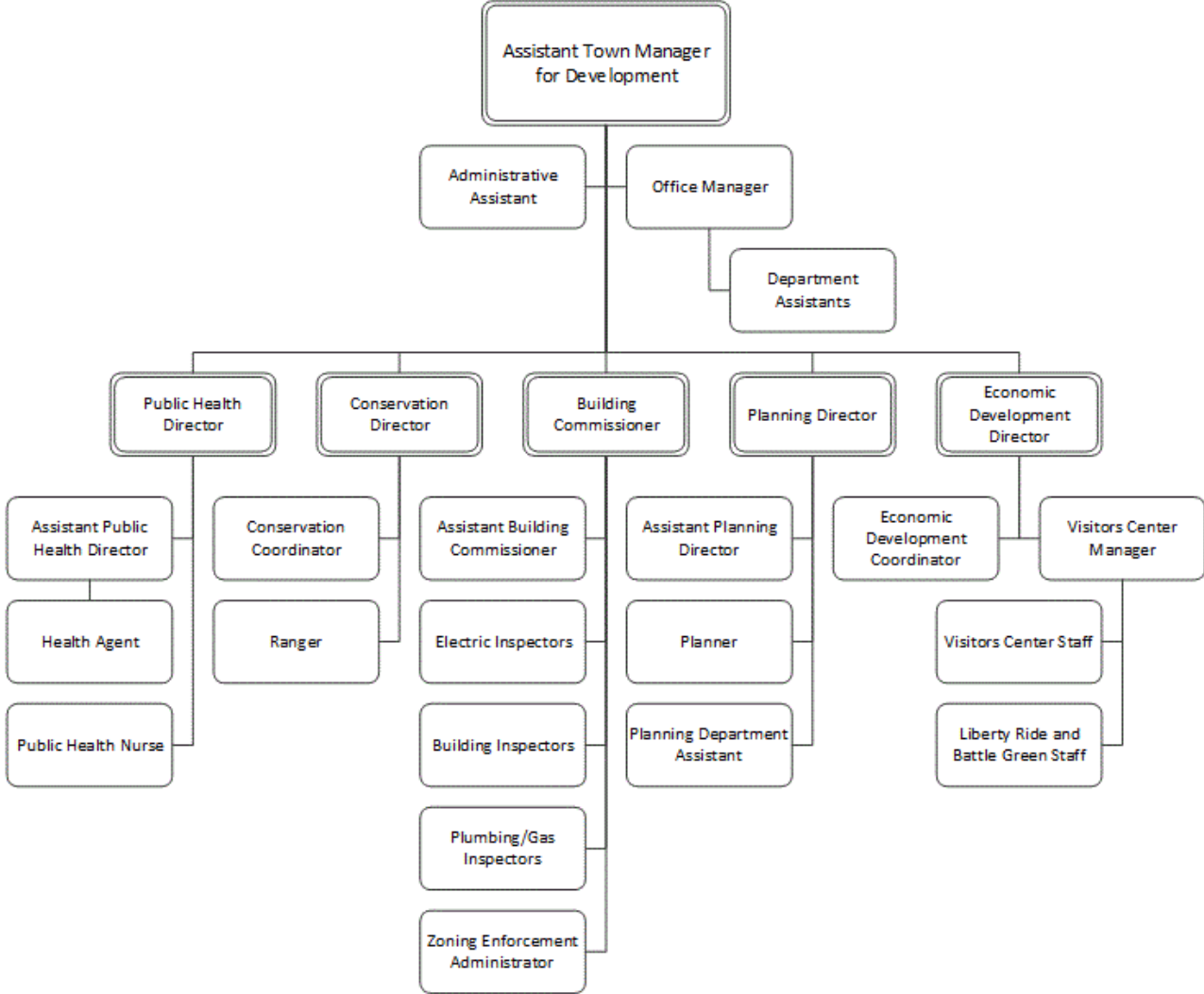
Budget Overview: The Land Use, Health and Development Department is comprised of: Building and Zoning, Conservation, Health, Planning and Economic Development.

- Building and Zoning is responsible for enforcing the State building, electrical, gas and plumbing codes, the local zoning bylaw, and Architectural Access Board Regulations.
- Conservation is responsible for administering and enforcing the State and local wetland protection codes and the State Stormwater Management Regulations, managing over 1,400 acres of Town-owned conservation land, and providing outreach and education concerning natural and watershed resources.
- Public Health is responsible for enforcing State and local health codes, administering health screening and vaccination programs, evaluating community health needs and developing intervention programs to prevent disease and disability.
- Planning supports the Planning Board in the administration of the Subdivision Regulations, the determination of adequacy of unaccepted streets, the granting of special permits for residential development, site plan review and granting of special permits within the commercial manufacturing district, and the review of planned development district proposals that go to Town Meeting. In addition, the staff engages in short- and long-term planning in regard to growth and development issues in Lexington, being active participants in various committees dealing with issues of transportation, affordable housing and economic development, as well as participating in regional and statewide initiatives.
- Economic Development works to encourage new investment and support our local businesses. It serves as a liaison for businesses and works to address business-related issues from Center parking to updating land use policy. The Office also works to retain and expand local businesses by providing information, conducting research, supporting a visitor-based economy, and leveraging State economic development tools and resources designed to improve the business environment. The Economic Development Office manages the Visitors Center and Tourism operations.

Departmental Initiatives:

1. Implement the Select Board's health and development-related goals associated with the work of the Department.
2. Implement high priority and near-term action steps and recommendations of the Comprehensive Plan Update.
3. Implement initiatives, policies and plans of the Board of Health, especially with respect to completing the dispensing of the COVID vaccine to Lexington residents and others, as required.
4. With the Engineering Division, support the community input on the Bedford Street/Hartwell Avenue 25% design development.

7100-7400 Program Summary



7100-7400 Program Summary

Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------------|
| Assistant Town Manager | 1 | 1 | 1 | 1 |
| Administrative Assistant | 1 | 1 | 1 | 1 |
| Administration Dept Office Manager | 1 | 1 | 1 | 1 |
| Administration Dept Assistants | 4 | 4 | 4 | 4 |
| Economic Development Director | 1 | 1 | 1 | 1 |
| Economic Development Coordinator | 1 | 1 | 1 | 1 |
| Visitor Services Manager | 1 | 1 | 1 | 1 |
| Visitor Center Staff (6PT) | 4.75 | 4.75 | 4.75 | 4.75 |
| Visitor Center PT Assistant Manager | 0.56 | 0.56 | 0.56 | 0.56 |
| Battle Green Guides | Seasonal | Seasonal | Seasonal | Seasonal |
| Liberty Ride Coordinator | 0.7 | — | — | — |
| Liberty Ride Guides | Seasonal | Seasonal | Seasonal | Seasonal |
| Planning Director | 1 | 1 | 1 | 1 |
| Assistant Planning Director | 1 | 1 | 1 | 1 |
| Planner | 1 | 1 | 1 | 1 |
| Planning Dept. Assistant | 1 | 1 | 1 | 1 |
| Conservation Director | 1 | 1 | 1 | 1 |
| Conservation Coordinator | 1 | 1 | 1 | 1 |
| Land Use Ranger | 0.25 | 0.25 | 0.25 | 0.25 |
| Land Management Interns | Seasonal | Seasonal | Seasonal | Seasonal |
| Public Health Director | 1 | 1 | 1 | 1 |
| Assistant Public Health Director* | — | — | 1 | 1 |
| Public Health Agents* | 1 | 2 | 1 | 1 |
| Public Health Nurse** | 0.6 | 0.6 | 0.6 | 1 |
| Building Commissioner | 1 | 1 | 1 | 1 |
| Asst Building Commissioner | 1 | 1 | 1 | 1 |
| Building Inspectors | 1 | 1 | 1 | 1 |
| Plumbing and Gas Inspector | 1 | 1 | 1 | 1 |
| Zoning Enforcement Administrator | 1 | 1 | 1 | 1 |
| Electric Inspectors | 1 | 1 | 1 | 1 |
| Part-time Electric Inspector*** | 0.24 | 0.24 | 0.24 | 0.24 |
| Part-time Plumbing Inspector*** | 0.14 | 0.14 | 0.14 | 0.14 |
| Part-time Building Inspector*** | 0.38 | 0.38 | 0.38 | 0.58 |
| Total FTE | 31.62 | 31.92 | 31.92 | 32.52 |
| Total FT/PT | 23FT/11PT + Seasonal | 24FT/10PT + Seasonal | 24FT/10PT + Seasonal | 25FT/9PT + Seasonal |

Explanatory Notes:

*A second Health Agent was funded in FY2021 via a program improvement. They were later reclassified to an Assistant Health Director.

**The full-time Public Health Nurse is shared between Lexington (.6) and Belmont (.4) per Nursing Services Agreement executed in FY2009. A program improvement in FY2023 seeks to reassign the position to Lexington on a full-time basis.

***The hours budgeted for part-time inspectors are filled by multiple individuals, as available. The FY2023 increase supports expanded responsibilities of the division, particularly for short-term rentals and expanded commercial developments.

7100-7400 Program Summary

Budget Recommendations:

The FY2023 recommended All Funds Land Use, Health and Development Department budget, inclusive of the General Fund operating budget, the Liberty Ride, Visitor Center, Residential Engineering Review and Health Program Revolving Funds, is \$3,201,078, which is a \$111,328 or 3.60% increase from the FY2022 budget.

The FY2023 recommended Land Use, Health and Development General Fund operating budget is \$2,792,613 which is a \$98,624, or 3.66% increase from the FY2022 General Fund budget.

The General Fund operating budget for Compensation is \$2,338,226 and reflects a \$166,974 or 7.69% increase, which funds contractually obligated step increases, as well as a program improvement to make the public health nurse a full-time position in Lexington. Compensation also reflects the transfer of the Visitors Center manager from the Visitors Center Revolving Fund to the General Fund, partially offset by transferring the Battle Green Guides to the Visitors Center Revolving Fund, and more fully offset by a reduction in expenses to support the Visitors Center. Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The General Fund operating budget for Expenses is \$454,387 and reflects a decrease of \$(68,350) or (13.08)%, which is a net change that reflects shifting \$74,000 in ongoing support for the Visitors Center to Compensation at Economic Development, removing \$19,500 in scanning costs from the Building and Zoning and Conservation budgets, and increasing support for professional development at both Health (\$7,000) and Economic Development (\$7,000), as well as increasing Marketing (\$5,000) and Advertising (\$2,000) at Economic Development to support the town's promotional efforts for the 250th celebration, and \$5,000 for a program improvement to reprint brochures for ACROSS Lexington.

The FY2023 recommended budget for the Residential Engineering Review, Health Program, Liberty Ride, and Visitor Center revolving funds is \$506,065, an increase of \$12,704 or 2.57%, which reflects ongoing adjustments as the Visitors Center continues to adapt to pandemic operations in their permanent location.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| ACROSS Lexington Brochures | \$ 5,000 | \$ — | \$ 5,000 | \$ 5,000 | \$ — | \$ 5,000 | \$ — |
| Increase Public Health Nurse to Full-time | \$ 34,681 | \$ 1,503 | \$ 36,184 | \$ 34,681 | \$ 1,503 | \$ 36,184 | \$ — |
| Senior Planner | \$ 90,000 | \$ 17,709 | \$ 107,709 | \$ — | \$ — | \$ — | \$ 107,709 |
| Visitors Center Assistant Manager (PT to FT) | \$ 57,538 | \$ 17,239 | \$ 74,777 | \$ — | \$ — | \$ — | \$ 74,777 |

7100-7400 Program Summary

Budget Summary - General Fund

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|
| Tax Levy | \$ (709,547) | \$(1,084,948) | \$ 901,089 | \$ 564,513 | \$(336,576) | -37.35 % |
| TDM Stabilization Fund | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ — | — % |
| Center Impr. District Stab. Fund | \$ 27,000 | \$ — | \$ — | \$ — | \$ — | — % |
| Fees & Charges | | | | | | |
| Departmental Fees | \$ 80,873 | \$ 70,022 | \$ 49,200 | \$ 76,900 | \$ 27,700 | 56.30 % |
| Licenses & Permits | \$ 2,711,117 | \$ 3,213,684 | \$ 1,697,700 | \$ 2,105,200 | \$ 407,500 | 24.00 % |
| Total 7100-7400 - General Fund | \$ 2,155,443 | \$ 2,244,758 | \$ 2,693,989 | \$ 2,792,613 | \$ 98,624 | 3.66 % |

| Appropriation Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|---------------------|---------------------|-------------------------|-----------------------|--------------------|---------------------|
| Compensation | \$ 1,828,944 | \$ 1,903,721 | \$ 2,171,252 | \$ 2,338,226 | \$ 166,974 | 7.69 % |
| Expenses | \$ 326,499 | \$ 341,037 | \$ 522,737 | \$ 454,387 | \$ (68,350) | -13.08 % |
| Total 7100-7400 - General Fund | \$ 2,155,443 | \$ 2,244,758 | \$ 2,693,989 | \$ 2,792,613 | \$ 98,624 | 3.66 % |

| Level-Service Requests (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|-------------------------|-----------------------|--------------------|---------------------|
| Total 7110 Building & Zoning | \$ 609,689 | \$ 561,393 | \$ 640,862 | \$ 644,673 | \$ 3,811 | 0.59 % |
| Total 7120 Administration | \$ 429,696 | \$ 431,375 | \$ 553,500 | \$ 569,150 | \$ 15,650 | 2.83 % |
| Total 7130 Conservation | \$ 214,574 | \$ 197,387 | \$ 255,027 | \$ 253,882 | \$ (1,145) | -0.45 % |
| Total 7140 Health | \$ 252,755 | \$ 301,634 | \$ 400,951 | \$ 457,870 | \$ 56,919 | 14.20 % |
| Total 7200 Planning | \$ 323,020 | \$ 375,185 | \$ 434,992 | \$ 446,240 | \$ 11,248 | 2.59 % |
| Total 7300 Economic Development | \$ 325,708 | \$ 377,784 | \$ 408,657 | \$ 420,798 | \$ 12,141 | 2.97 % |
| Total 7100-7400 - General Fund | \$ 2,155,443 | \$ 2,244,758 | \$ 2,693,989 | \$ 2,792,613 | \$ 98,624 | 3.66 % |

| Object Code Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|---------------------|---------------------|-------------------------|-----------------------|--------------------|---------------------|
| Salaries & Wages | \$ 1,816,122 | \$ 1,887,074 | \$ 2,136,687 | \$ 2,303,212 | \$ 166,525 | 7.79 % |
| Overtime | \$ 12,822 | \$ 16,648 | \$ 34,565 | \$ 35,014 | \$ 449 | 1.30 % |
| <i>Personal Services</i> | <i>\$ 1,828,944</i> | <i>\$ 1,903,721</i> | <i>\$ 2,171,252</i> | <i>\$ 2,338,226</i> | <i>\$ 166,974</i> | <i>7.69 %</i> |
| Contractual Services | \$ 180,715 | \$ 239,506 | \$ 374,526 | \$ 378,676 | \$ 4,150 | 1.11 % |
| Utilities | \$ 10,062 | \$ 10,674 | \$ 13,111 | \$ 13,561 | \$ 450 | 3.43 % |
| Supplies | \$ 135,723 | \$ 90,856 | \$ 135,100 | \$ 62,150 | \$ (72,950) | -54.00 % |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Expenses</i> | <i>\$ 326,499</i> | <i>\$ 341,037</i> | <i>\$ 522,737</i> | <i>\$ 454,387</i> | <i>\$ (68,350)</i> | <i>-13.08 %</i> |
| Total 7100-7400 - General Fund | \$ 2,155,443 | \$ 2,244,758 | \$ 2,693,989 | \$ 2,792,613 | \$ 98,624 | 3.66 % |

7100-7400 Program Summary

Budget Summary - Revolving Funds

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---|-------------------|-------------------|--------------------|---------------------|--------------------|---------------------|
| Residential Engineering Review Revolving Fund | \$ — | \$ 57,600 | \$ 57,600 | \$ 57,600 | \$ — | — % |
| Health Programs Revolving Fund | \$ 22,654 | \$ 21,342 | \$ 45,000 | \$ 45,000 | \$ — | — % |
| Lab Animal Permits Revolving Fund | \$ — | \$ — | \$ 40,000 | \$ 40,000 | \$ — | — % |
| Liberty Ride Revolving Fund | \$ 125,800 | \$ 790 | \$ 104,000 | \$ 104,000 | \$ — | — % |
| Visitor Center Revolving Fund | \$ 39,309 | \$ 74,242 | \$ 247,000 | \$ 260,000 | \$ 13,000 | 5.26 % |
| Total 7100-7400 - Rev. Funds | \$ 187,763 | \$ 153,974 | \$ 493,600 | \$ 506,600 | \$ 13,000 | 2.63 % |

**Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.*

Appropriation Summary (Revolving Funds)

| | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|-------------------|------------------|-------------------------|-----------------------|--------------------|---------------------|
| 7110 - Residential Engineering Review | | | | | | |
| Expenses | \$ — | \$ — | \$ 57,600 | \$ 57,600 | \$ — | — % |
| 7140 - Health Programs | | | | | | |
| Expenses | \$ 45,719 | \$ 27,352 | \$ 45,000 | \$ 45,000 | \$ — | — % |
| 7140 - Lab Animal Permits | | | | | | |
| Expenses | \$ — | \$ — | \$ 40,000 | \$ 40,000 | \$ — | — % |
| 7320 - Liberty Ride | | | | | | |
| Compensation | \$ 41,715 | \$ — | \$ 14,000 | \$ 14,000 | \$ — | — % |
| Expenses | \$ 97,795 | \$ — | \$ 90,000 | \$ 90,000 | \$ — | — % |
| 7340 - Visitor Center | | | | | | |
| Compensation | \$ 18,459 | \$ 26,501 | \$ 138,541 | \$ 114,750 | \$ (23,791) | (17.17)% |
| Expenses | \$ 25,899 | \$ 32,970 | \$ 108,220 | \$ 144,715 | \$ 36,495 | 33.72 % |
| Total 7100-7400 - Rev. Funds | \$ 229,588 | \$ 86,822 | \$ 493,361 | \$ 506,065 | \$ 12,704 | 2.57 % |

Budget Summary - All Funds

| Appropriation Summary (All Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|---------------------|---------------------|-------------------------|-----------------------|--------------------|---------------------|
| Compensation | \$ 1,889,118 | \$ 1,930,222 | \$ 2,323,793 | \$ 2,466,976 | \$ 143,183 | 6.16 % |
| Expenses | \$ 495,913 | \$ 401,359 | \$ 765,957 | \$ 734,102 | \$ (31,855) | -4.16 % |
| Total 7100-7400 - All Funds | \$ 2,385,031 | \$ 2,331,581 | \$ 3,089,750 | \$ 3,201,078 | \$ 111,328 | 3.60 % |

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7110 Building & Zoning

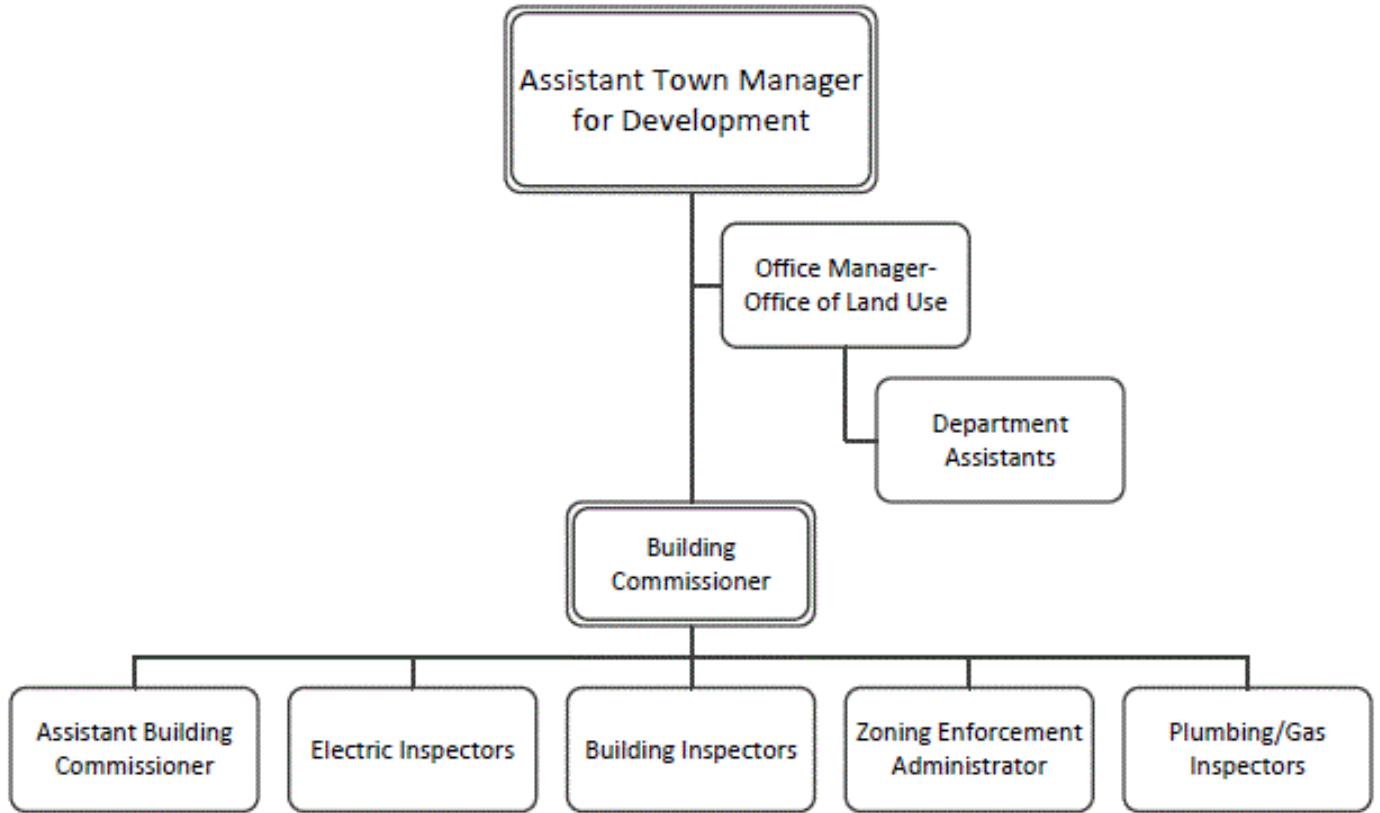
Mission: The Building and Zoning Division is a regulatory function with the goal of protecting the health and safety of residents. This role is fulfilled through the enforcement of building, zoning and land use regulations.

Budget Overview: The Building and Zoning Division enforces state building, electrical, plumbing, gas and mechanical codes, Architectural Access Board Regulations and local zoning bylaws. Staff, comprised of the Building Commissioner, Assistant Building Commissioner, Building Inspectors, Electrical Inspector, Plumbing & Gas Inspector and Zoning Enforcement Administrator, review construction drawings and specifications, issue permits, inspect new construction, conduct periodic inspections of restaurants, day care centers, schools, religious institutions, museums, places of public assembly and multi-family housing, and levy fines or prosecute when necessary to maintain code compliance.

Division Initiatives:

1. Continue the efforts to improve and administer the online permitting system, helping applicants obtain their permits. The ViewPoint Cloud permit system requires all building, zoning, electrical, plumbing and gas permits to be applied for electronically. This permitting system allows applicants to do much of their work from their office or home, thereby saving time and money from having to visit the Town offices.
2. Scan all the historical building, wiring, plumbing and gas permit records.
3. Permit, inspect, monitor and ensure code compliance for the first high-rise building constructed in Lexington at 440 Bedford Street. This building is 120 feet tall and will be a major construction project in a highly visible and congested area of town.
4. Add capacity to perform more inspections to the current work load of the Building Inspectors. This will be for the review, permitting, inspection and enforcement of the new Short-Term Rental zoning bylaw; the proposed fence/wall zoning bylaw; as well as the recently approved noise construction limits. This is supported by the addition of 52 days of funding for per diem inspectors.
5. Assist the planning office in amending the zoning bylaw to address heights and setbacks of walls and fences in residential districts.
6. Support the Town's efforts to Increase the building permit fees for commercial construction from \$12 per thousand to \$15 per thousand. If increased, the high-rise building at 440 Bedford street alone, would increase revenue about \$100,000.

7110 Building & Zoning



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|----------------------------------|----------------|----------------|----------------|----------------|
| Building Commissioner | 1 | 1 | 1 | 1 |
| Asst. Bldg. Commissioner | 1 | 1 | 1 | 1 |
| Building Inspectors | 1 | 1 | 1 | 1 |
| Plumbing and Gas Inspector | 1 | 1 | 1 | 1 |
| Zoning Enforcement Administrator | 1 | 1 | 1 | 1 |
| Electric Inspector | 1 | 1 | 1 | 1 |
| Part-time Electric Inspector* | 0.24 | 0.24 | 0.24 | 0.24 |
| Part-time Plumbing Inspector* | 0.14 | 0.14 | 0.14 | 0.14 |
| Part-time Building Inspector* | 0.38 | 0.38 | 0.38 | 0.58 |
| Total FTE | 6.76 | 6.76 | 6.76 | 6.96 |
| Total FT/PT | 6FT/3PT | 6FT/3PT | 6FT/3PT | 6FT/3PT |

*The hours budgeted for part-time inspectors are filled by multiple individuals, as available. The FY2023 increase supports expanded responsibilities of the division, particularly for short-term rentals and expanded commercial developments.

7110 Building & Zoning

Budget Recommendations:

The FY2023 recommended All Funds Building and Zoning budget is \$702,273 a \$3,811 or 0.55% increase from the FY2022 budget.

The FY2023 recommended General Fund Building and Zoning budget is \$644,673 a \$3,811 or 0.59% increase from the FY2022 budget.

The recommended budget for Compensation is \$610,583 and reflects a \$18,311, or 3.09% increase, which is due to contractually obligated step increases. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The recommended budget for Expenses is \$34,090 and reflects a decrease of \$(14,500) or (29.84)% from FY2022, due to removal of a scanning budget item that will be undertaken via other available funds.

Program Improvement Requests:

None requested.

7110 Building & Zoning

Town of Lexington, MA

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-----------------|------------------|
| Tax Levy | \$ (2,096,778) | \$ (2,616,550) | \$ (1,046,838) | \$ (1,443,027) | \$ (396,189) | 37.85% |
| Directed Funding | | | | | | |
| Departmental Fees | \$ 12,210 | \$ 16,170 | \$ 12,500 | \$ 12,500 | \$ — | —% |
| Licenses and Permits | \$ 2,694,257 | \$ 3,161,772 | \$ 1,675,200 | \$ 2,075,200 | \$ 400,000 | 23.88% |
| Total 7110 Building and Zoning | \$ 609,689 | \$ 561,393 | \$ 640,862 | \$ 644,673 | \$ 3,811 | 0.59% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|-------------------|-------------------|----------------------|--------------------|-----------------|------------------|
| Compensation | \$ 582,335 | \$ 537,920 | \$ 592,272 | \$ 610,583 | \$ 18,311 | 3.09% |
| Expenses | \$ 27,355 | \$ 23,473 | \$ 48,590 | \$ 34,090 | \$ (14,500) | -29.84% |
| Total 7110 Building and Zoning | \$ 609,689 | \$ 561,393 | \$ 640,862 | \$ 644,673 | \$ 3,811 | 0.59% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|-------------------|-------------------|----------------------|--------------------|--------------------|------------------|
| Salaries & Wages | \$ 577,238 | \$ 532,287 | \$ 585,933 | \$ 604,161 | \$ 18,228 | 3.11% |
| Overtime | \$ 5,096 | \$ 5,633 | \$ 6,339 | \$ 6,422 | \$ 83 | 1.31% |
| <i>Personal Services</i> | <i>\$ 582,335</i> | <i>\$ 537,920</i> | <i>\$ 592,272</i> | <i>\$ 610,583</i> | <i>\$ 18,311</i> | <i>3.09%</i> |
| Contractual Services | \$ 5,444 | \$ 15,329 | \$ 36,640 | \$ 22,140 | \$ (14,500) | -39.57% |
| Utilities | \$ 5,635 | \$ 5,983 | \$ 6,800 | \$ 6,800 | \$ — | —% |
| Supplies | \$ 16,275 | \$ 2,161 | \$ 5,150 | \$ 5,150 | \$ — | —% |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Expenses</i> | <i>\$ 27,355</i> | <i>\$ 23,473</i> | <i>\$ 48,590</i> | <i>\$ 34,090</i> | <i>\$ (14,500)</i> | <i>-29.84%</i> |
| Total 7110 Building and Zoning | \$ 609,689 | \$ 561,393 | \$ 640,862 | \$ 644,673 | \$ 3,811 | 0.59% |

Budget Summary - Revolving Funds*

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--------------------------------------|---------------|------------------|------------------|------------------|-----------------|------------------|
| Residential Engineering Review | \$ — | \$ 57,600 | \$ 57,600 | \$ 57,600 | \$ — | —% |
| Total 7110 B&Z Rev. Funds | \$ — | \$ 57,600 | \$ 57,600 | \$ 57,600 | \$ — | —% |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriation Summary (Revolving Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|---------------|---------------|----------------------|--------------------|-----------------|------------------|
| 7110 - Residential Engineering Review Revolving Fund | | | | | | |
| <i>Expenses</i> | <i>\$ —</i> | <i>\$ —</i> | <i>\$ 57,600</i> | <i>\$ 57,600</i> | <i>\$ —</i> | <i>—%</i> |
| Total 7110 B&Z Rev. Funds | \$ — | \$ — | \$ 57,600 | \$ 57,600 | \$ — | —% |

Budget Summary - All Funds

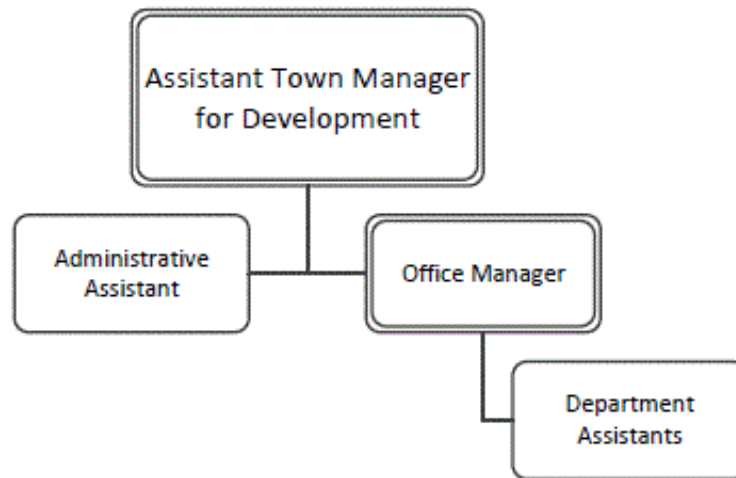
| Appropriation Summary (All Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---------------------------------------|-------------------|-------------------|----------------------|--------------------|-----------------|------------------|
| Compensation | \$ 582,335 | \$ 537,920 | \$ 592,272 | \$ 610,583 | \$ 18,311 | 3.09% |
| Expenses | \$ 27,355 | \$ 23,473 | \$ 106,190 | \$ 91,690 | \$ (14,500) | -13.65% |
| Total 7110 B&Z - All Funds | \$ 609,689 | \$ 561,393 | \$ 698,462 | \$ 702,273 | \$ 3,811 | 0.55% |

Mission: To develop comprehensive regulatory and technical assistance services to town residents and commercial entities transacting development business with the Town.

Budget Overview: Administration provides management oversight and administrative support to the Building and Zoning, Health, Conservation, Planning and Economic Development Offices and to the numerous boards and commissions, including the Zoning Board of Appeals and Historic Districts Commission, and coordinates their daily operations. The staff, comprised of an Assistant Town Manager, an Office Manager, Administrative Assistant and four Department Assistants, schedules and coordinates hearings, prepares legal notices, sets agendas, processes applications and permits, inputs data into Access databases, maintains files, circulates petitions among Town boards and officials, prepares meeting notices, agendas and minutes, determines and notifies abutters, communicates with the public, attends meetings, performs payroll and accounts payable functions, makes daily deposits, and files all final documentation. The Assistant Town Manager for Development position oversees all operations of the six divisions within the Land Use, Health and Development Department.

Division Initiatives:

1. Direct the Department in support of the Select Board goals specifically focused on public health, land and real property, housing and economic development and planning, as assigned by the Town Manager.
2. Improve online information on Department initiatives and boards and committees supported by the Department.
3. Improve the availability of information about Department initiatives, permit processes, and opportunities for public engagement.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Assistant Town Manager | 1 | 1 | 1 | 1 |
| Administrative Assistant | 1 | 1 | 1 | 1 |
| Office Manager | 1 | 1 | 1 | 1 |
| Department Assistants | 4 | 4 | 4 | 4 |
| Total FTE | 7 | 7 | 7 | 7 |
| Total FT/PT | 7 FT | 7 FT | 7 FT | 7 FT |

Budget Recommendations:

The recommended FY2023 General Fund budget for the Office of Administration is \$569,150, an increase of \$15,650 or 2.83% from the FY2022 budget.

The General Fund operating budget for Compensation is \$514,050 and reflects an increase of \$10,850 or 2.16% for contractually obligated step increases. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The General Fund operating budget for Expenses is \$55,100 and reflects a net increase of \$4,800 or 9.54%, which incorporates adjustments to reflect actual expenditures as \$5,000 for a program improvement to reprint ACROSS Lexington brochures.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|----------------------------|-----------------------|---|-----------------|-----------------------|---|----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| ACROSS Lexington Brochures | \$ 5,000 | \$ — | \$ 5,000 | \$ 5,000 | \$ — | \$ 5,000 | \$ — |

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Tax Levy | \$ 418,496 | \$ 423,275 | \$ 539,800 | \$ 547,750 | \$ 7,950 | 1.47% |
| Directed Funding | | | | | | |
| Departmental Fees | \$ 11,200 | \$ 8,100 | \$ 13,700 | \$ 21,400 | \$ 7,700 | 56.20% |
| Total 7120 Administration | \$ 429,696 | \$ 431,375 | \$ 553,500 | \$ 569,150 | \$ 15,650 | 2.83% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| Compensation | \$ 415,527 | \$ 414,009 | \$ 503,200 | \$ 514,050 | \$ 10,850 | 2.16% |
| Expenses | \$ 14,169 | \$ 17,366 | \$ 50,300 | \$ 55,100 | \$ 4,800 | 9.54% |
| Total 7120 Administration | \$ 429,696 | \$ 431,375 | \$ 553,500 | \$ 569,150 | \$ 15,650 | 2.83% |

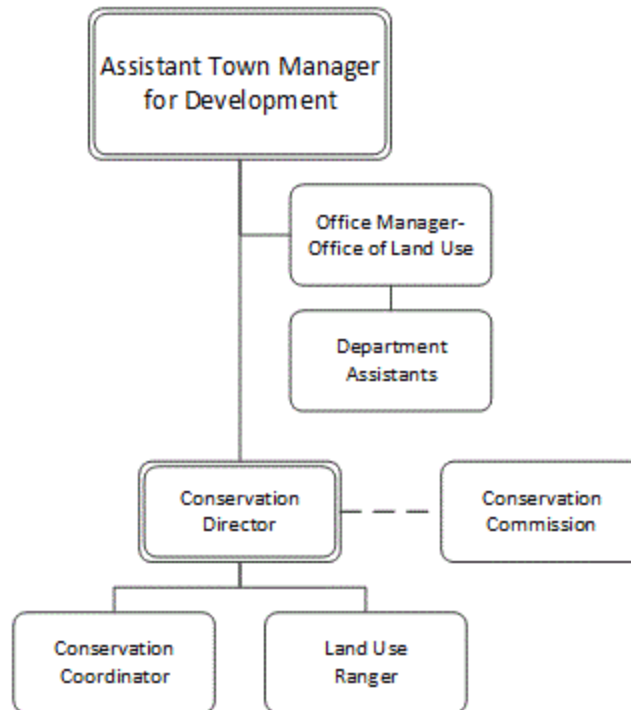
| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| Salaries & Wages | \$ 410,923 | \$ 406,987 | \$ 490,539 | \$ 501,225 | \$ 10,686 | 2.18% |
| Overtime | \$ 4,604 | \$ 7,022 | \$ 12,661 | \$ 12,825 | \$ 164 | 1.30% |
| <i>Personal Services</i> | <i>\$ 415,527</i> | <i>\$ 414,009</i> | <i>\$ 503,200</i> | <i>\$ 514,050</i> | <i>\$ 10,850</i> | <i>2.16%</i> |
| Contractual Services | \$ 8,746 | \$ 11,165 | \$ 43,200 | \$ 46,700 | \$ 3,500 | 8.10% |
| Utilities | \$ 614 | \$ 940 | \$ 600 | \$ 900 | \$ 300 | 50.00% |
| Supplies | \$ 4,809 | \$ 5,261 | \$ 6,500 | \$ 7,500 | \$ 1,000 | 15.38% |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Expenses</i> | <i>\$ 14,169</i> | <i>\$ 17,366</i> | <i>\$ 50,300</i> | <i>\$ 55,100</i> | <i>\$ 4,800</i> | <i>9.54%</i> |
| Total 7120 Administration | \$ 429,696 | \$ 431,375 | \$ 553,500 | \$ 569,150 | \$ 15,650 | 2.83% |

Mission: To protect the health and safety of Town residents through education about and regulation of and management of natural areas and wetlands.

Budget Overview: The Conservation Division provides administration, interpretation and enforcement of all applicable State laws and Local codes; counsel, guidance and education to the public on environmental issues; research and reports on relevant issues for the Conservation Commission meetings to aid the Commission in key decision making; enforcement of permit conditions through construction inspections; management of conservation areas and the Land and Watershed Stewardship Program. The Conservation Director manages and supervises the Conservation staff and operations and, along with the Conservation Stewardship Coordinator, performs administrative, supervisory, professional and technical work in connection with managing and directing comprehensive environmental programs.

Division Initiatives:

1. Continue efforts to provide for a comprehensive online records management program for conservation historical records via the Laserfiche Document Imaging Software.
2. Plan for and implement enhanced public outreach and programming to protect, preserve, and promote Lexington's natural resources.
3. Complete the Open Space and Recreation Plan Update (FY2022 CPA) and implement goals, objectives and priorities established in Year 1 of the Seven Year Action Plan.
4. Onboard a new community garden coordinator volunteer and provide a comprehensive orientation and training program.
5. Finalize and record Conservation Restrictions for all CPA conservation land acquisitions.
6. Plan for and acquire open space parcels as prioritized by the Conservation Commission.
7. Implement the numerous conservation land management and stewardship prioritized projects, including Daisy, Willard's Woods, and West Farm meadows preservation, Parker Meadow Universal Accessible Trail Construction (FY2021 and FY2022 Supplemental CPA), Wright Farm Conceptual Site Access Design and Parking (FY2021 CPA), and Willard's Woods Accessible Improvements Design and Engineering (FY2020 CPA).



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|----------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Conservation Director | 1 | 1 | 1 | 1 |
| Conservation Coordinator | 1 | 1 | 1 | 1 |
| Land Use Ranger | 0.26 | 0.26 | 0.26 | 0.26 |
| Seasonal Land Management Interns | Seasonal | Seasonal | Seasonal | Seasonal |
| Total FTE | 2.26 | 2.26 | 2.26 | 2.26 |
| Total FT/PT | 2FT/1PT + Seasonals | 2FT/1PT + Seasonals | 2FT/1PT + Seasonals | 2FT/1PT + Seasonals |

Budget Recommendations:

The recommended FY2023 General Fund Conservation budget is \$253,882, a decrease of \$(1,145) or (0.45)% from the FY2022 budget.

This includes a \$3,855 or 1.75% increase in compensation to reflect contractually obligated step increases. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

Expenses reflect a decrease of \$(5,000), or (14.19)%, due to removal of a scanning budget item that will be undertaken via other available funds.

Program Improvement Requests:

None requested.

7130 Conservation

Budget Summary:

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Tax Levy | \$ 211,274 | \$ 184,635 | \$ 252,027 | \$ 250,882 | \$ (1,145) | -0.45 % |
| Directed Funding | | | | | | |
| Fees | \$ 3,300 | \$ 12,752 | \$ 3,000 | \$ 3,000 | \$ — | — % |
| Total 7130 Conservation | \$ 214,574 | \$ 197,387 | \$ 255,027 | \$ 253,882 | \$ (1,145) | -0.45 % |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|-------------------|-------------------|----------------------|--------------------|-------------------|------------------|
| Compensation | \$ 192,861 | \$ 171,404 | \$ 219,780 | \$ 223,635 | \$ 3,855 | 1.75 % |
| Expenses | \$ 21,713 | \$ 25,983 | \$ 35,247 | \$ 30,247 | \$ (5,000) | (14.19)% |
| Total 7130 Conservation | \$ 214,574 | \$ 197,387 | \$ 255,027 | \$ 253,882 | \$ (1,145) | (0.45)% |

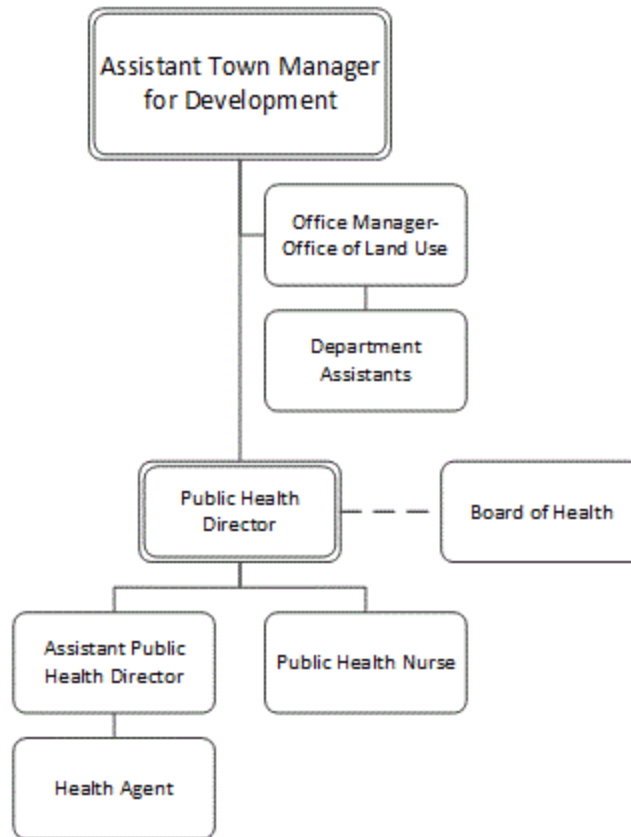
| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|-------------------|-------------------|----------------------|--------------------|-------------------|------------------|
| Salaries & Wages | \$ 191,510 | \$ 169,673 | \$ 216,701 | \$ 220,516 | \$ 3,815 | 1.76 % |
| Overtime | \$ 1,351 | \$ 1,731 | \$ 3,079 | \$ 3,119 | \$ 40 | 1.30 % |
| <i>Personal Services</i> | <i>\$ 192,861</i> | <i>\$ 171,404</i> | <i>\$ 219,780</i> | <i>\$ 223,635</i> | <i>\$ 3,855</i> | <i>1.75 %</i> |
| Contractual Services | \$ 11,309 | \$ 19,972 | \$ 26,636 | \$ 21,436 | \$ (5,200) | -19.52 % |
| Utilities | \$ 2,389 | \$ 2,191 | \$ 2,911 | \$ 3,061 | \$ 150 | 5.15 % |
| Supplies | \$ 8,015 | \$ 3,820 | \$ 5,700 | \$ 5,750 | \$ 50 | 0.88 % |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Expenses</i> | <i>\$ 21,713</i> | <i>\$ 25,983</i> | <i>\$ 35,247</i> | <i>\$ 30,247</i> | <i>\$ (5,000)</i> | <i>-14.19 %</i> |
| Total 7130 Conservation | \$ 214,574 | \$ 197,387 | \$ 255,027 | \$ 253,882 | \$ (1,145) | -0.45 % |

Mission: Under the direction of the Lexington Board of Health, the mission of the Lexington Health Office is to prevent disease and promote wellness in order to protect and improve the health and quality of life of its residents, visitors and workforce.

Budget Overview: The Health Office manages disease prevention and surveillance programs designed to protect the health of the community. Programs include but are not limited to public health education, infectious disease surveillance and case investigation activities, oversight and enforcement of all state and local community health and environmental health regulations, mosquito-borne disease prevention efforts, public vaccination clinics, and public health emergency planning and response efforts. The Health Office staff is comprised of the Health Director, an Assistant Health Director, a Health Agent, and a part-time Public Health Nurse.

Division Initiatives:

1. Continue to perform all required activities regarding Covid-19 and to offer services such as testing, tracing, education, data collection and analysis, and vaccine.
2. Review local Board of Health regulations, and update as necessary, to coincide with current State and Federal regulations, standards and best practices, including tobacco, body art and food. Research and finalize local regulations regarding the care and use of laboratory animals.
3. Continue to enhance customer service satisfaction and improve staff efficiency by updating Board of Health permit applications in ViewPoint Cloud, with particular focus on the following record types: retail food, temporary food, mobile food, food plan review, public swimming pool, rDNA, Animal Keeping and Recreational Camps for Children. Begin to implement field inspection capacity with a new software system.
4. Continue to respond to all inquiries, complaints, and concerns from the public and staff in a timely fashion. Perform routine inspections to ensure compliance with state and local regulations.
5. Continue to work with Region 4AB to improve regional collaboration for Preparedness and with Region 4A to strengthen the Medical Reserve Corps. (MRC) in volunteer recruitment, training, deployment and retention.
6. Continue to update and exercise shelter plans, develop shelter intake and medical triage forms, and develop a checklist for environmental health risk management in shelters.
7. Engage and convene community partners to broaden public health preparedness planning efforts to include people with disabilities and considerations for access and functional needs in the scope of EDS and shelter plans in accordance with Massachusetts Department of Public Health (MDPH) guidance.
8. Continue to serve as a local resource for public health education and outreach on the impacts of climate change on health. Collaborate with the Sustainability Director.
9. Continue to provide flu shots to the public utilizing the most reasonable and safe methods including drive through clinics and at various locations. Evaluate and implement ways to expand our vaccine program to include all recommended adult and pediatric vaccines.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|-------------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Public Health Director | 1 | 1 | 1 | 1 |
| Public Asst. Health Director* | — | — | 1 | 1 |
| Public Health Agent* | 1 | 2 | 1 | 1 |
| Public Health Nurse** | 0.6 | 0.6 | 0.6 | 1.0 |
| Total FTE | 2.6 | 3.6 | 3.6 | 4.0 |
| Total FT/PT | 2FT/1PT | 2FT/1PT | 3FT/1PT | 4FT/0PT |

*In FY2021, a second Health Agent was funded via a program improvement. During that year, one of the Health Agents was reclassified to Assistant Health Director.

**The full-time Public Health Nurse is shared between Lexington (.6) and Belmont (.4) per Nursing Services Agreement executed in FY2009. A program improvement in FY2023 seeks to reassign the position to Lexington on a full-time basis.

Budget Recommendations:

The recommended FY2023 All Funds Health budget inclusive of the General Fund operating budget and the Health Program Revolving Fund, which funds health clinics, is \$542,870. The recommended budget is a \$56,919 or 11.71% increase from the FY2022 budget.

The FY2023 recommended Health General Fund operating budget is \$457,870, which is a \$56,919 or 14.20% increase from the FY2022 General Fund budget.

The General Fund operating budget for Compensation is \$359,570 and reflects a \$48,169 or 15.47% increase, which funds the cost of contractually obligated step increases and salary increases.

The General Fund operating budget for Expenses is \$98,300 and reflects a \$8,750 or 9.77% increase, which reflects a \$1,500 decrease in staff mileage and travel expenses.

The FY2023 Health Programs Revolving Fund is recommended at \$45,000 which is level-funded from the FY2022 authorization. First authorized in FY2021, a revolving fund for Lab Animal Permits is recommended at \$40,000 to handle inspections for an increasing number of lab animals in the commercial and industrial properties in town.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|---|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Increase Public Health Nurse to Full-time | \$ 34,681 | \$ 1,503 | \$ 36,184 | \$ 34,681 | \$ 1,503 | \$ 36,184 | \$ — |

Budget Summary - General Fund

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--------------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Tax Levy | \$ 235,895 | \$ 249,721 | \$ 378,451 | \$ 427,870 | \$ 49,419 | 13.06% |
| Directed Funding | | | | | | |
| Permits | \$ 16,860 | \$ 51,912 | \$ 22,500 | \$ 30,000 | \$ 7,500 | 33.33% |
| Total 7140 Health | \$ 252,755 | \$ 301,634 | \$ 400,951 | \$ 457,870 | \$ 56,919 | 14.20% |

| Appropriation Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| Compensation | \$ 207,852 | \$ 267,494 | \$ 311,401 | \$ 359,570 | \$ 48,169 | 15.47% |
| Expenses | \$ 44,903 | \$ 34,140 | \$ 89,550 | \$ 98,300 | \$ 8,750 | 9.77% |
| Total 7140 Health | \$ 252,755 | \$ 301,634 | \$ 400,951 | \$ 457,870 | \$ 56,919 | 14.20% |

| Object Code Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| Salaries & Wages | \$ 206,941 | \$ 267,144 | \$ 309,631 | \$ 357,777 | \$ 48,146 | 15.55% |
| Overtime | 910 | 350 | \$ 1,770 | \$ 1,793 | \$ 23 | 1.30% |
| <i>Personal Services</i> | <i>\$ 207,852</i> | <i>\$ 267,494</i> | <i>\$ 311,401</i> | <i>\$ 359,570</i> | <i>\$ 48,169</i> | <i>15.47%</i> |
| Contractual Services | \$ 43,273 | \$ 32,526 | \$ 80,500 | \$ 89,250 | \$ 8,750 | 10.87% |
| Utilities | \$ 1,102 | \$ 960 | \$ 2,800 | \$ 2,800 | \$ — | —% |
| Supplies | \$ 529 | \$ 654 | \$ 6,250 | \$ 6,250 | \$ — | —% |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Expenses</i> | <i>\$ 44,903</i> | <i>\$ 34,140</i> | <i>\$ 89,550</i> | <i>\$ 98,300</i> | <i>\$ 8,750</i> | <i>9.77%</i> |
| Total 7140 Health | \$ 252,755 | \$ 301,634 | \$ 400,951 | \$ 457,870 | \$ 56,919 | 14.20% |

Budget Summary - Revolving Funds*

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-----------------------------------|------------------|------------------|------------------|------------------|-----------------|------------------|
| Health Programs Revolving Fund | \$ 22,654 | \$ 21,342 | \$ 45,000 | \$ 45,000 | \$ — | —% |
| Lab Animal Permits Revolving Fund | \$ — | \$ — | \$ 40,000 | \$ 40,000 | \$ — | —% |
| Total 7140 Health | \$ 22,654 | \$ 21,342 | \$ 85,000 | \$ 85,000 | \$ — | —% |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriation Summary (Revolving Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|------------------|------------------|----------------------|--------------------|-----------------|------------------|
| 7140 - Health Programs Revolving Fund | | | | | | |
| <i>Expenses</i> | \$ 45,719 | \$ 27,352 | \$ 45,000 | \$ 45,000 | \$ — | —% |
| 7140 - Lab Animal Permits Revolving Fund | | | | | | |
| <i>Expenses</i> | \$ — | \$ — | \$ 40,000 | \$ 40,000 | \$ — | —% |
| Total 7140 Health | \$ 45,719 | \$ 27,352 | \$ 85,000 | \$ 85,000 | \$ — | —% |

Budget Summary - All Funds

| Appropriation Summary (All Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| Compensation | \$ 207,852 | \$ 267,494 | \$ 311,401 | \$ 359,570 | \$ 48,169 | 15.47% |
| Expenses | \$ 90,622 | \$ 61,492 | \$ 174,550 | \$ 183,300 | \$ 8,750 | 5.01% |
| Total 7140 Health - All Funds | \$ 298,474 | \$ 328,986 | \$ 485,951 | \$ 542,870 | \$ 56,919 | 11.71% |

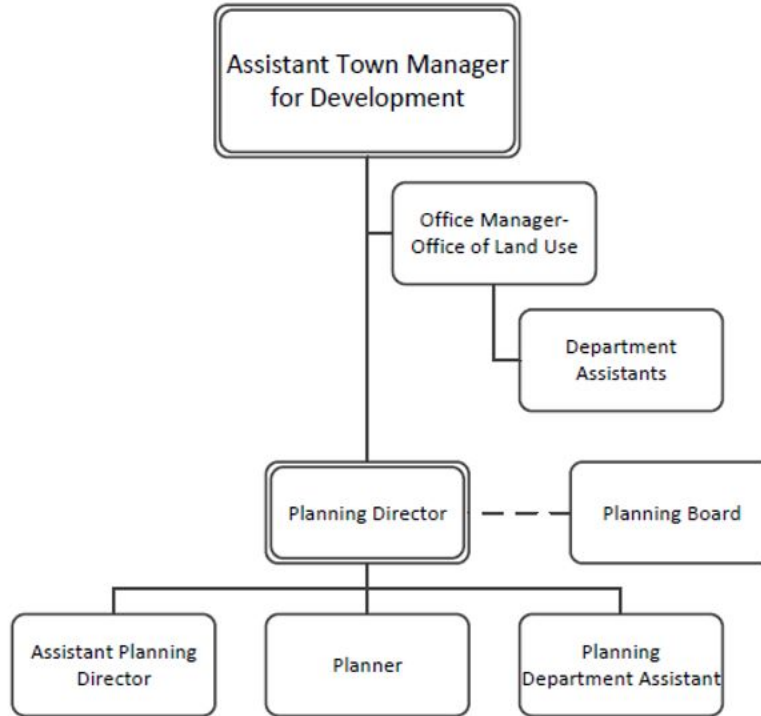
Mission: The Planning Office helps residents envision and work toward a community that serves the needs of all its citizens and to manage growth and change. The Planning Office provides staff assistance to the Planning Board, helps to administer the Zoning Bylaw and reviews development permit applications for residential and commercial projects.

Budget Overview: The Planning Office supports the Planning Board in the administration of the Subdivision Regulations, the adequacy determinations of unaccepted streets, the granting of special permits for residential development, site plan review and granting of special permits, as well as reviewing zoning amendments and planned development district proposals that go to Town Meeting. In addition, the staff engages in short- and long-term planning regarding growth and development issues in Lexington, actively participants in various committees dealing with transportation, affordable housing, economic development, as well as regional and statewide initiatives.

The planning staff participates on the Development Review Team, the Economic Development Advisory Committee, the Housing Partnership Board, the Transportation Safety Group, Parking Management Group, Transportation Forum, the HOME Consortium, and the Boston Metropolitan Planning Organization.

Division Initiatives:

1. Implement Lexington's updated Comprehensive Plan (LexingtonNext), which will guide future land development and preservation activities over the next 2, 5, 10-years, and beyond.
2. Assemble and support the Planning Board's Annual Work Plan to ensure alignment with LexingtonNext.
3. Establish an expedited, transparent, and engaging permitting process that is clear and consistent for all projects.
4. Collaborate with members of the Land Use, Health, and Development (LUHD) Department and other staff members to plan and execute short- and long-term planning initiatives.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|-----------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Planning Director | 1 | 1 | 1 | 1 |
| Assistant Planning Director | 1 | 1 | 1 | 1 |
| Planner | 1 | 1 | 1 | 1 |
| Administrative Assistant | 1 | 1 | 1 | 1 |
| Total FTE | 4 | 4 | 4 | 4 |
| Total FT/PT | 4 FT | 4 FT | 4 FT | 4 FT |

Budget Recommendations:

The FY2023 recommended General Fund Planning Office budget is \$446,240, which is an increase of \$11,248 or 2.59% from the FY2022 budget.

The General Fund operating budget for Compensation is \$368,890 and reflects a \$11,248 or 3.15% increase from the FY2022 budget, due to contractually obligated step increases. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended budget for Expenses is \$77,350 and is level-funded from FY2022. A warrant article requests \$75,000 for implementation of LexingtonNEXT, the long-term plan which is due to be completed early in 2022.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|----------------|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Senior Planner | \$ 90,000 | \$ 17,709 | \$ 107,709 | \$ — | \$ — | \$ — | \$ 107,709 |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|----------------------------|----------------------|----------------------|------------------------|-------------------------|------------------------|-------------------------|
| Tax Levy | \$ 268,858 | \$ 342,185 | \$ 414,992 | \$ 406,240 | \$ (8,752) | -2.11% |
| Directed Funding | | | | | | |
| Fees | \$ 54,163 | \$ 33,000 | \$ 20,000 | \$ 40,000 | \$ 20,000 | 100.00% |
| Total 7200 Planning | \$ 323,020 | \$ 375,185 | \$ 434,992 | \$ 446,240 | \$ 11,248 | 2.59% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------|----------------------|----------------------|-----------------------------|---------------------------|------------------------|-------------------------|
| Compensation | \$ 291,624 | \$ 339,806 | \$ 357,642 | \$ 368,890 | \$ 11,248 | 3.15% |
| Expenses | \$ 31,396 | \$ 35,379 | \$ 77,350 | \$ 77,350 | \$ — | —% |
| Total 7200 Planning | \$ 323,020 | \$ 375,185 | \$ 434,992 | \$ 446,240 | \$ 11,248 | 2.59% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------|----------------------|----------------------|-----------------------------|---------------------------|------------------------|-------------------------|
| Salaries & Wages | \$ 291,017 | \$ 339,028 | \$ 349,848 | \$ 360,995 | \$ 11,147 | 3.19% |
| Overtime | \$ 608 | \$ 778 | \$ 7,794 | \$ 7,895 | \$ 101 | 1.30% |
| <i>Personal Services</i> | <i>\$ 291,624</i> | <i>\$ 339,806</i> | <i>\$ 357,642</i> | <i>\$ 368,890</i> | <i>\$ 11,248</i> | <i>3.15%</i> |
| Contractual Services | \$ 29,643 | \$ 33,283 | \$ 72,850 | \$ 72,850 | \$ — | —% |
| Utilities | \$ 322 | \$ 600 | \$ — | \$ — | \$ — | —% |
| Supplies | \$ 1,431 | \$ 1,497 | \$ 4,500 | \$ 4,500 | \$ — | —% |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Expenses</i> | <i>\$ 31,396</i> | <i>\$ 35,379</i> | <i>\$ 77,350</i> | <i>\$ 77,350</i> | <i>\$ —</i> | <i>—%</i> |
| Total 7200 Planning | \$ 323,020 | \$ 375,185 | \$ 434,992 | \$ 446,240 | \$ 11,248 | 2.59% |

7300 Economic Development

Town of Lexington, MA

Mission: The Economic Development Office works to encourage new investment and support for our local businesses - big and small. A strong local business environment is a critical component of a healthy and sustainable community, creating places to eat and shop, as well as opportunities for employment and added revenue to support local services. To that end, the Economic Development Office serves as a liaison for businesses and works to address business-related issues from parking to updating land use policy. The Office also works to retain and expand local businesses by providing information, conducting research, and leveraging State economic development resources. The Economic Development Office also cultivates and maintains relationships with State-level partners for business development, tourism, and infrastructure investment opportunities. The Economic Development Office works to leverage economic opportunities from tourism through the operations of the Visitors Center, the Liberty Ride Trolley Tour, and the Battle Green Guides program. Sharing our role in American history attracts many thousands of visitors to Lexington each year. These visitors help to support our local businesses which contributes to our community's overall economic sustainability.

Budget Overview: The Economic Development budget is divided into three elements: the Economic Development Office, the Liberty Ride Trolley Tour Program, and the Visitors Center Operations.

The Economic Development Office is tasked with strengthening the commercial tax base, providing services to existing and prospective businesses, and overseeing tourism functions and staff. The Economic Development Office works on initiatives with input from the Economic Development Advisory Committee, the Lexington Center Committee, and the Tourism Committee.

The Liberty Ride is a trolley tour of Lexington and Concord which also serves as the only transportation link to the area's historic sites. As a revolving fund, the Liberty Ride is self-funded through ticket sales. Due to the pandemic, the Liberty Ride did not operate during 2020, and operated a limited schedule in 2021. Since the current trolley contract expires in March 2022, operations will need to adapt to a new contract.

The Visitors Center serves as gateway for over 120,000 people who come to visit Lexington every year. As a revolving fund, the Visitors Center operates with revenue generated from gift shop retail sales to offset costs. The construction of the new Visitors Center was completed and opened to the public in Spring 2020. Unfortunately, operations in 2020 and 2021 were hampered due to the pandemic.

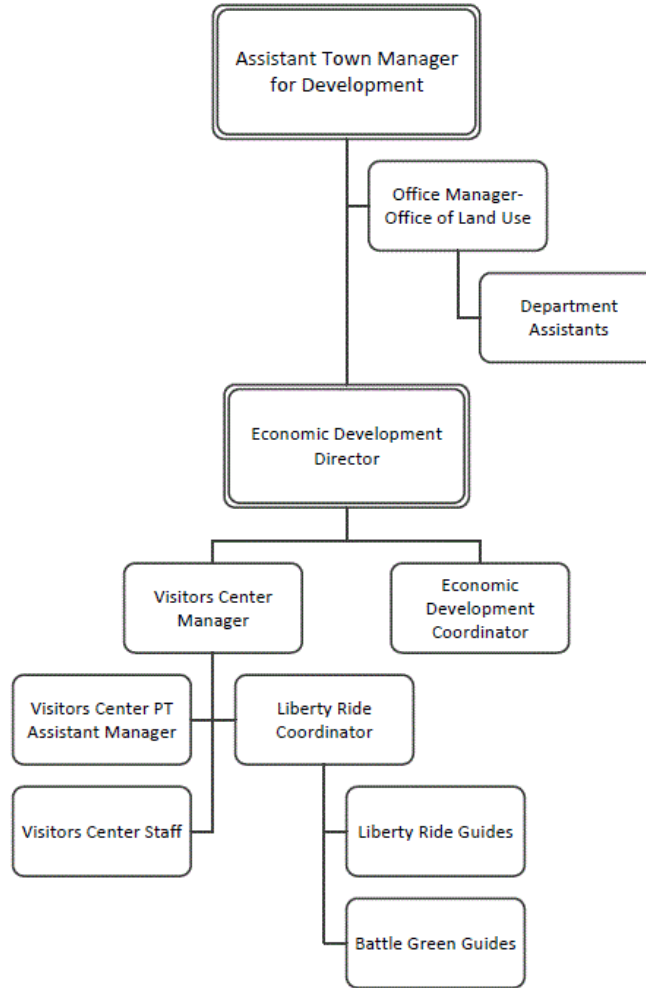
Division Initiatives: Economic Development Office

1. Ensure long-term viability of Lexington businesses in light of the COVID-19 Pandemic and changing retail environment.
2. Implement next steps from the Local Rapid Recovery Plan recommendation to improve East Lexington Business Corridor.
3. Launch a new Tourism Website.

Tourism/Visitor Activities

1. Expand programs & retail operations in the Visitors Center.
2. Develop additional materials for non-English speaking visitors and implement the Freedoms Way Grant.
3. Identify other funding opportunities to augment revenue for the tourism revolving funds.
4. Increase the use of social media and target online advertising to increase visits to Lexington.

7300 Economic Development



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Economic Development Director | 1 | 1 | 1 | 1 |
| Economic Development Coordinator | 1 | 1 | 1 | 1 |
| Economic Development Intern | Seasonal | Seasonal | Seasonal | Seasonal |
| Visitor Center Manager | 1 | 1 | 1 | 1 |
| Visitor Center Staff (6PT) | 4.75 | 4.75 | 4.75 | 4.75 |
| Visitor Center Assistant Manager | 0.56 | 0.56 | 0.56 | 0.56 |
| Battle Green Guides | Seasonal | Seasonal | Seasonal | Seasonal |
| Tour Services Coordinator | 0.70 | — | — | — |
| Liberty Ride Guides | Seasonal | Seasonal | Seasonal | Seasonal |
| Total FTE | 9.01 | 8.31 | 8.31 | 8.31 |
| Total FT/PT | 1FT/1PT + Seasonal | 3FT/7PT + Seasonal | 3FT/8PT + Seasonal | 3FT/8PT + Seasonal |

Note: Visitor Center staffing is included above as this function was transferred from Chamber of Commerce in FY2015. There are 7 Visitor Center staff (1 works full-time and 6 work part-time) and 30 seasonal workers from April to October

7300 Economic Development

Budget Recommendations:

The FY2023 recommended All Funds Economic Development budget, inclusive of the General Fund operating budget and the Liberty Ride and Visitors Center Revolving Funds, is \$784,263, which is a \$24,845 or 3.27% increase from the FY2022 budget.

The FY2023 recommended General Fund Economic Development operating budget is \$420,798, which is a \$12,141 or 2.97% increase from the FY2022 General Fund budget. The recommended General Fund operating budget for Compensation is \$261,498, and reflects a \$74,541 or 39.87% increase, which is a net change, and captures contractually obligated step increases, the transfer of the Visitors Center manager from the Visitors Center Revolving Fund to the General Fund, partially offset by transferring the Battle Green Guides to the Visitors Center Revolving Fund, and more fully offset by a reduction in expenses to support the Visitors Center. Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The recommended General Fund operating budget for Expenses is \$159,300, a decrease of \$(62,400) or (28.15)%. This is a net-change that reflects reducing ongoing support for the Visitors Center by \$74,000; offset by increasing Marketing (\$5,000) and Advertising (\$2,000) to support the town's promotional efforts for the 250th celebration.

Contractual costs include expenses associated with the REV Shuttle, a business-serving shuttle that runs between the Hartwell Avenue corridor and the Alewife Red Line Station, funded via a transfer from the Transportation Demand Management (TDM) Stabilization Fund.

The recommended FY2023 Liberty Ride Revolving Fund request is level-funded at \$104,000. COVID-19 travel restrictions affected the travel and tourism industry overall; the Liberty Ride tour was suspended in Summer 2020, and operated on a limited schedule in Summer 2021. Since the current trolley contract expires in March 2022, operations will need to adapt to a new contract. If new proposals will not be self-sustaining, staff may seek alternative transportation options, including potentially a bus.

The recommended FY2023 Visitor Center Revolving Fund request is \$259,465 which is essentially level-funded from FY2022. In an effort to provide greater stability for the operation going forward, the salary for the Visitors Center manager is being moved to the General Fund. A small amount of support remains in the General Fund budget (\$20,000) in the event that sales do not adequately fund the remaining operating expenses. Staff anticipate that this level of support will allow the Visitors Center to remain open year-round.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Visitors Center Assistant Manager (PT to FT) | \$ 57,538 | \$ 17,239 | \$ 74,777 | \$ — | \$ — | \$ — | \$ 74,777 |

7300 Economic Development

Town of Lexington, MA

Budget Summary - General Fund

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|
| Tax Levy | \$ 252,708 | \$ 331,784 | \$ 362,657 | \$ 374,798 | \$ 12,141 | 3.35 % |
| TDM Stabilization Fund | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ — | — % |
| Center Impr. District Stab. Fund | \$ 27,000 | \$ — | \$ — | \$ — | \$ — | — % |
| Total 7300 - General Fund | \$ 325,708 | \$ 377,784 | \$ 408,657 | \$ 420,798 | \$ 12,141 | 2.97 % |

| Appropriation Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| Compensation | \$ 138,745 | \$ 173,089 | \$ 186,957 | \$ 261,498 | \$ 74,541 | 39.87 % |
| Expenses | \$ 186,964 | \$ 204,696 | \$ 221,700 | \$ 159,300 | \$ (62,400) | -28.15 % |
| Total 7300 - General Fund | \$ 325,708 | \$ 377,784 | \$ 408,657 | \$ 420,798 | \$ 12,141 | 2.97 % |

| Program Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| 7310 Economic Development Office | \$ 325,708 | \$ 377,784 | \$ 408,657 | \$ 420,798 | \$ 12,141 | 2.97 % |
| Total 7300 - General Fund | \$ 325,708 | \$ 377,784 | \$ 408,657 | \$ 420,798 | \$ 12,141 | 2.97 % |

| Object Code Summary (General Fund) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------------|-------------------|-------------------|----------------------|--------------------|--------------------|------------------|
| Salaries & Wages | \$ 138,492 | \$ 171,955 | \$ 184,035 | \$ 258,538 | \$ 74,503 | 40.48 % |
| Overtime | \$ 252 | \$ 1,134 | \$ 2,922 | \$ 2,960 | \$ 38 | 1.30 % |
| <i>Personal Services</i> | <i>\$ 138,745</i> | <i>\$ 173,089</i> | <i>\$ 186,957</i> | <i>\$ 261,498</i> | <i>\$ 74,541</i> | <i>39.87 %</i> |
| Contractual Services | \$ 82,299 | \$ 127,231 | \$ 114,700 | \$ 126,300 | \$ 11,600 | 10.11 % |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Supplies | \$ 104,665 | \$ 77,464 | \$ 107,000 | \$ 33,000 | \$ (74,000) | -69.16 % |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Expenses</i> | <i>\$ 186,964</i> | <i>\$ 204,696</i> | <i>\$ 221,700</i> | <i>\$ 159,300</i> | <i>\$ (62,400)</i> | <i>-28.15 %</i> |
| Total 7300 - General Fund | \$ 325,708 | \$ 377,784 | \$ 408,657 | \$ 420,798 | \$ 12,141 | 2.97 % |

Budget Summary - Revolving Funds*

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-------------------------------------|-------------------|------------------|-------------------|-------------------|------------------|------------------|
| Liberty Ride Rev. Fund | \$ 125,800 | \$ 790 | \$ 104,000 | \$ 104,000 | \$ — | — % |
| Visitors Center Rev. Fund | \$ 39,309 | \$ 74,242 | \$ 247,000 | \$ 260,000 | \$ 13,000 | 5.26 % |
| Total 7300 - Revolving Funds | \$ 165,109 | \$ 75,032 | \$ 351,000 | \$ 364,000 | \$ 13,000 | 3.70 % |

*Revolving Funds are authorized by Town Meeting via Article 9, and are not appropriated under Article 4.

| Appropriation Summary (Revolving Funds) | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|-------------------|------------------|----------------------|--------------------|------------------|------------------|
| 7320 Liberty Ride Rev. Fund | \$ 139,510 | \$ — | \$ 104,000 | \$ 104,000 | \$ — | — % |
| Compensation | \$ 41,715 | \$ — | \$ 14,000 | \$ 14,000 | \$ — | — % |
| Expenses | \$ 97,795 | \$ — | \$ 90,000 | \$ 90,000 | \$ — | — % |
| 7340 Visitors Center Rev. Fund | \$ 44,359 | \$ 59,470 | \$ 246,761 | \$ 259,465 | \$ 12,704 | 5.15 % |
| Compensation | \$ 18,459 | \$ 26,501 | \$ 138,541 | \$ 114,750 | \$ (23,791) | -17.17 % |
| Expenses | \$ 25,899 | \$ 32,970 | \$ 108,220 | \$ 144,715 | \$ 36,495 | 33.72 % |
| Total 7300 - Revolving Funds | \$ 183,869 | \$ 59,470 | \$ 350,761 | \$ 363,465 | \$ 12,704 | 3.62 % |

Budget Summary - All Funds

| Appropriations Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------|-------------------|-------------------|----------------------|--------------------|------------------|------------------|
| Compensation | \$ 198,919 | \$ 199,589 | \$ 339,498 | \$ 390,248 | \$ 50,750 | 14.95 % |
| Expenses | \$ 310,658 | \$ 237,665 | \$ 419,920 | \$ 394,015 | \$ (25,905) | -6.17 % |
| Total 7300 - All Funds | \$ 509,577 | \$ 437,254 | \$ 759,418 | \$ 784,263 | \$ 24,845 | 3.27 % |

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Section X: Program 8000: General Government

This section includes detailed information about the FY2023 Operating Budget & Financing Plan for General Government. It includes:

- 8100 Select Board X-2
- 8200 Town Manager X-6
- 8300 Town Committees X-10
- 8400 Finance X-12
- 8500 Town Clerk X-16
- 8600 Innovation & Technology X-20

Mission: The Select Board, together with the Town Manager, represents the executive branch of the Town government. The Board consists of five members, elected for three-year terms. Select Board members serve without compensation. The Board acts as the Town's primary policy-making body for a wide variety of issues affecting service delivery, finance and Town infrastructure. They provide oversight in matters of litigation, act as the licensing authority, enact rules and regulations regarding traffic control and are responsible for calling Town Meetings and approving the Town Meeting Warrant.

Budget Overview: This budget includes funding for the Select Board's Office, Town Counsel, the Annual Town Report, and the Public, Education, Governmental (PEG) programming budget.

Day-to-day operation of the Select Board's Office is under the direction of the Office Manager/Executive Clerk and the Department Assistant who assist the Select Board members and coordinate activities with the Town Manager's Office. The staff prepare the Annual and Special Town Meeting Warrants and assist the Select Board members in responding to questions and inquiries from the public. They also receive all contributions to Select Board gift accounts, the Fund for Lexington, the PTA Council Scholarship, the Lexington Education Fund and all other Trustees of Public Trusts funds.

Staff manage the licensing and permitting process for the Board (the licensing authority). These licenses include alcoholic beverage, auctioneer, cable television, common victualler, entertainment, flammable storage, innkeeper, lodging house, theater, Class I, II and III for the sale of used cars, vehicles for hire such as common carrier, limousine and taxi cab and automatic amusement machines.

Staff maintain approximately 320 Select Board appointments to more than 50 committees. In addition, the Select Board's Office notifies Lexington residents of all national, state and local elections.

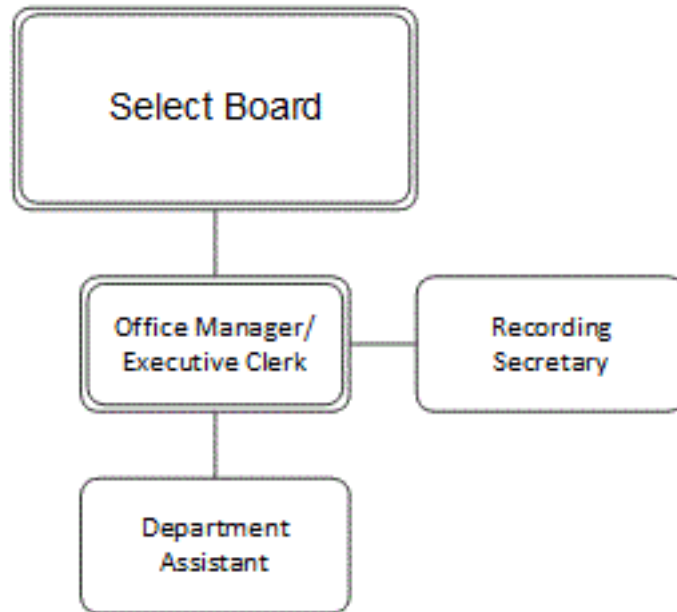
Town Counsel represents the Town, through the Select Board and Town Manager, on all legal matters including litigation, contracts, drafting of Town bylaws and enforcement of bylaws through the Court system.

The Town Report is the official proceeding and activities of Town Government. It is required to be prepared annually under State law.

The PEG budget funds activities related to the Town's cable television programming. Under Massachusetts law, municipalities may receive up to 5% of the basic cable bill for PEG programming activities. These funds are largely used, under the guidance of the Communications Advisory Committee, to fund the LexMedia contract.

Departmental Initiatives:

1. Develop enhanced recruitment and onboarding processes for Select Board appointments to Boards and Committees.
2. Improve methods of Communication between the Select Board and residents.
3. Continue to work with the IT Department to automate the remaining Permitting and Licensing workflows for Select Board Permits.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--------------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Office Manager/Executive Clerk | 1 | 1 | 1 | 1 |
| Department Assistant | 1 | 1 | 1 | 1 |
| Recording Secretary | 0.22 | 0.25 | 0.25 | 0.25 |
| Total FTE | 2.22 | 2.25 | 2.25 | 2.25 |
| Total FT/PT | 2 FT/1 PT | 2 FT/1 PT | 2 FT/1 PT | 2 FT/1 PT |

Budget Recommendations:

The FY2023 recommended General Fund operating budget for the Select Board is \$1,298,802, which is a \$38,994 or 3.10% increase from the FY2022 General Fund budget.

The Compensation budget is \$145,163, which is a \$9,381 or 6.91% increase, which reflects step increases. Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The overall Expenses operating budget is \$1,153,639, which is an increase of \$29,613 or 2.63%, which is primarily due to a program improvement for \$20,000 to fund the goal-setting process for the Select Board. In addition, there are increases in the annual audit (\$2,000) and PEG Access (\$7,613) budgets.

The recommended FY2023 budget for legal expenses is level-funded from FY2022 at \$395,000. The recommended FY2023 budget for the annual Town Report is unchanged from FY2022 at \$13,688.

The FY2023 recommended budget for the Town’s annual contract with LexMedia for broadcasting public meetings and events is \$610,113 which is a \$7,613 or 1.26% increase from FY2022, and reflects contractual commitments to LexMedia. This budget item is fully funded from the PEG Access Special Revenue Fund.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--------------|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Goal Setting | \$ — | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ — | \$ 20,000 | \$ — |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|---|--------------------------|--------------------------|----------------------------|-----------------------------|----------------------------|-----------------------------|
| Tax Levy | \$ 376,874 | \$ 542,450 | \$ 588,144 | \$ 609,018 | \$ 20,874 | 3.55% |
| Transfers from Enterprise Funds to General Fund (Indirects) | \$ 1,118 | \$ 1,071 | \$ 664 | \$ 1,171 | \$ 507 | 76.36% |
| PEG Access Special Revenue Fund | | | \$ 602,500 | \$ 610,113 | \$ 7,613 | 1.26% |
| Fees | | | | | | |
| Licenses & Permits | \$ 76,258 | \$ 74,525 | \$ 68,500 | \$ 78,500 | \$ 10,000 | 14.60% |
| Total 8100 (General Fund) | \$1,068,726 | \$1,213,197 | \$ 1,259,808 | \$1,298,802 | \$ 38,994 | 3.10% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 nded | Dollar Increase | Percent Increase |
|----------------------------------|--------------------------|--------------------------|---------------------------------|------------------------|----------------------------|-----------------------------|
| Compensation | \$ 118,280 | \$ 128,668 | \$ 135,782 | \$ 145,163 | \$ 9,381 | 6.91% |
| Expenses | \$ 950,446 | \$1,084,528 | \$ 1,124,026 | \$1,153,639 | \$ 29,613 | 2.63% |
| Total 8100 (General Fund) | \$1,068,726 | \$1,213,197 | \$ 1,259,808 | \$1,298,802 | \$ 38,994 | 3.10% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 nded | Dollar Increase | Percent Increase |
|----------------------------------|--------------------------|--------------------------|---------------------------------|------------------------|----------------------------|-----------------------------|
| Total 8110 Select Board's Office | \$ 204,629 | \$ 205,805 | \$ 248,620 | \$ 280,001 | \$ 31,381 | 12.62% |
| Total 8120 Legal | \$ 241,617 | \$ 399,245 | \$ 395,000 | \$ 395,000 | \$ — | —% |
| Total 8130 Town Report | \$ 11,004 | \$ 10,445 | \$ 13,688 | \$ 13,688 | \$ — | —% |
| Total 8140 PEG Access | \$ 611,477 | \$ 597,702 | \$ 602,500 | \$ 610,113 | \$ 7,613 | 1.26% |
| Total 8100 (General Fund) | \$1,068,726 | \$1,213,197 | \$ 1,259,808 | \$1,298,802 | \$ 38,994 | 3.10% |

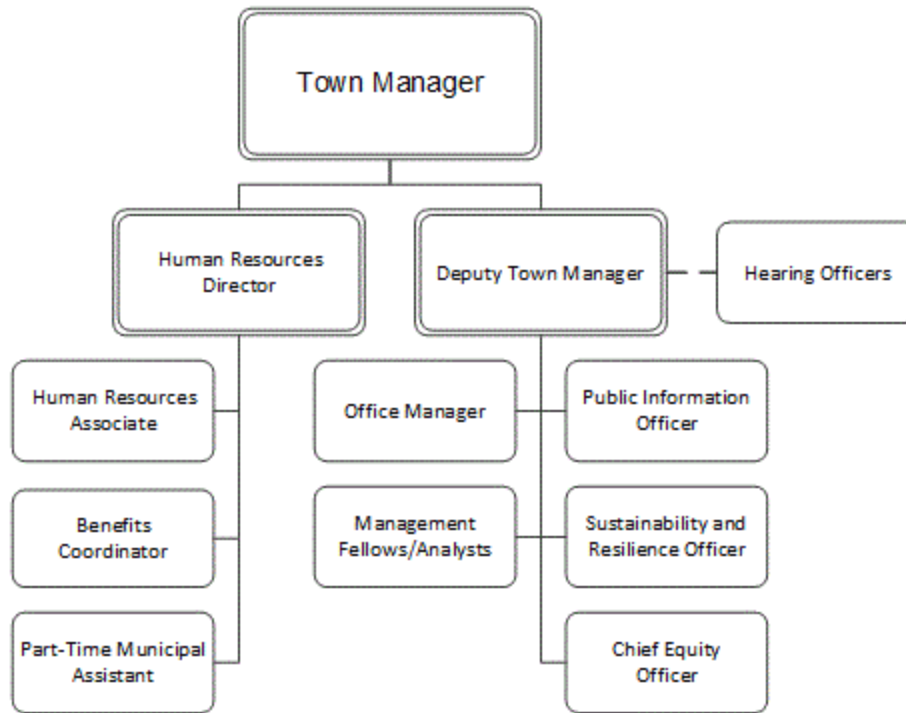
| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 nded | Dollar Increase | Percent Increase |
|----------------------------------|--------------------------|--------------------------|---------------------------------|------------------------|----------------------------|-----------------------------|
| Salaries & Wages | \$ 118,280 | \$ 128,668 | \$ 135,782 | \$ 145,163 | \$ 9,381 | 6.91% |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Personal Services</i> | <i>\$ 118,280</i> | <i>\$ 128,668</i> | <i>\$ 135,782</i> | <i>\$ 145,163</i> | <i>\$ 9,381</i> | <i>6.91%</i> |
| Contractual Services | \$ 930,639 | \$1,069,616 | \$ 1,103,513 | \$1,133,126 | \$ 29,613 | 2.68% |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| Supplies | \$ 19,807 | \$ 14,913 | \$ 20,513 | \$ 20,513 | \$ — | —% |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Expenses</i> | <i>\$ 950,446</i> | <i>\$1,084,528</i> | <i>\$ 1,124,026</i> | <i>\$1,153,639</i> | <i>\$ 29,613</i> | <i>2.63%</i> |
| Total 8100 (General Fund) | \$1,068,726 | \$1,213,197 | \$ 1,259,808 | \$1,298,802 | \$ 38,994 | 3.10% |

Mission: The Select Board appoints the Town Manager who oversees the daily operations of all general government departments, implements the policies of the Select Board, proposes an annual operating and capital budget, and enforces Town bylaws and regulations. The Town Manager's authority and responsibilities are established in the Select Board-Town Manager Act of 1968. The Town Manager's Office is also responsible for Human Resources and benefit administration, as well as risk management.

Budget Overview: The Town Manager's Office budget is comprised of the following elements: Organizational Direction and Administration, Human Resources, Sustainability, Public Outreach and Communication, and Diversity, Equity and Inclusion. Organizational Direction and Administration includes day-to-day oversight for all Town departments, townwide staff training and professional development, and special projects. This function also implements all decisions of the Select Board and provides staff support to various Town committees. The Sustainability and Resilience Officer, Public Information Officer and Chief Equity Officer positions are in the Town Manager's Office to support and further the goals and priorities of the Town. In addition, the Town Manager's Office, through the Human Resources function, is responsible for personnel administration, benefits administration, collective bargaining negotiations, workers compensation and unemployment benefits.

Departmental Initiatives:

1. Continue to support the Racial Diversity, Inclusion, and Equity Transformation plan and other social equity initiatives in coordination with the Select Board.
2. Work to support the organization's high-performance culture by providing directed team building to the Middle and Senior Management Team.
3. Develop new revenue sources to support the budget, particularly the capital budget, by developing long-term debt management strategies to mitigate the impact of large project debt service.
4. Continue the initiative to develop organizational sustainability by passing on institutional knowledge, engaging mid-level managers in organization decision-making and selecting and training qualified individuals.
5. Finalize new fiscal policies, specifically the development of a sustainable funding model for the Capital Stabilization Fund and updating strategies for funding the Town's OPEB Liability. The next policy review will evaluate the funding model for the Recreation Enterprise Fund.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---|--------------------------|--------------------------|--------------------------|---------------------------|
| Town Manager | 1 | 1 | 1 | 1 |
| Deputy Town Manager | 1 | 1 | 1 | 1 |
| Public Information Officer | 1 | 1 | 1 | 1 |
| Sustainability and Resilience Officer | 1 | 1 | 1 | 1 |
| Chief Equity Officer* | — | — | 1 | 1 |
| Office Manager/Special Events Coordinator | 1 | 1 | 1 | 1 |
| Management Fellow/Analyst** | 1 | 1 | 2 | 2 |
| Hearing Officers*** | 0.12 | 0.12 | 0.12 | 0.12 |
| Human Resources Director | 1 | 1 | 1 | 1 |
| Human Resources Associate | 1 | 1 | 1 | 1 |
| Benefits Coordinator | 1 | 1 | 1 | 1 |
| Municipal Assistant**** | — | 0.54 | 0.54 | 0.54 |
| Total FTE | 9.12 | 9.66 | 11.66 | 11.66 |
| Total FT/PT | 9FT / 2PT | 9FT / 3PT | 11FT / 3PT | 11FT / 3PT |

*A Chief Equity Officer was added in FY2022 via a program improvement in response to community organizing around racial justice and equity.

**A second Management Analyst role was added via 2021 Fall STM, in part to help manage the American Recovery Plan Act (ARPA) projects. A portion of their salary is funded from ARPA.

***Two hearing officers hear appeals for parking fines; one municipal hearing officer hears appeals for fines issued by the Fire Department (regional position, shared with Winchester and Woburn)

****A part-time Municipal Assistant was added via a program improvement in FY2021 to support benefits processing for Human Resources.

Budget Recommendations:

The FY2023 recommended budget inclusive of the Town Manager’s Office and Human Resources is \$1,245,753, which is a \$30,039 or 2.47% increase from the revised FY2022 budget. Fall 2021 Special Town Meeting approved an increase in compensation to hire a Management analyst to assist with ARPA project management.

The recommended FY2023 budget for Compensation is \$956,568, and reflects a \$23,889 or 2.56% increase, which captures step increases. Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended FY2023 budget for Expenses is \$289,185, which reflects an increase of \$6,150 or 2.17% from FY2022, which is a net increase to support the growth in department personnel.

The department's budget includes a Salary Adjustment Account, which reflects anticipated FY2023 collective bargaining settlements, other wage increases, and compensated leave payments due certain employees at retirement. Once contractual settlements are reached, funds are transferred from this account to the appropriate departmental budget upon a vote of the Select Board. Nine contracts expire at the end of FY2022 or earlier, including those with the Lexington Police Supervisors and Patrol Officers, Dispatchers, Firefighters, Town Custodians, Crossing Guards, Municipal Managers and Municipal Clerks.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Full-time HR Administrative Assistant (PT to FT) | \$ 26,609 | \$ 16,790 | \$ 43,399 | \$ — | \$ — | \$ — | \$ 43,399 |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--------------------------------|-------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Tax Levy | \$ 393,690 | \$ 487,168 | \$ 784,136 | \$ 847,175 | \$ 63,039 | 8.04% |
| Enterprise Funds (Indirect) | \$ 51,406 | \$ 42,193 | \$ 36,728 | \$ 36,728 | \$ — | —% |
| Available Funds | | | | | | |
| Rentals* | \$ 431,498 | \$ 473,201 | \$ 394,850 | \$ 361,850 | \$ (33,000) | -8.36% |
| Total 8200 Town Manager | \$ 876,594 | \$ 1,002,562 | \$ 1,215,714 | \$ 1,245,753 | \$ 30,039 | 2.47% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|-------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Compensation | \$ 714,544 | \$ 826,080 | \$ 932,679 | \$ 956,568 | \$ 23,889 | 2.56% |
| Expenses | \$ 162,050 | \$ 176,481 | \$ 283,035 | \$ 289,185 | \$ 6,150 | 2.17% |
| Total 8200 Town Manager | \$ 876,594 | \$ 1,002,562 | \$ 1,215,714 | \$ 1,245,753 | \$ 30,039 | 2.47% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|---|-------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Total 8210 Organizational Dir. & Admin. | \$ 624,321 | \$ 753,077 | \$ 904,789 | \$ 929,103 | \$ 24,314 | 2.69% |
| Total 8220 Human Resources | \$ 252,274 | \$ 249,485 | \$ 310,925 | \$ 316,650 | \$ 5,725 | 1.84% |
| Total 8200 Town Manager | \$ 876,594 | \$ 1,002,562 | \$ 1,215,714 | \$ 1,245,753 | \$ 30,039 | 2.47% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|-------------------|---------------------|---------------------|---------------------|------------------|------------------|
| Salaries & Wages | \$ 714,544 | \$ 826,080 | \$ 932,679 | \$ 956,568 | \$ 23,889 | 2.56% |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Personal Services</i> | <i>\$ 714,544</i> | <i>\$ 826,080</i> | <i>\$ 932,679</i> | <i>\$ 956,568</i> | <i>\$ 23,889</i> | <i>2.56%</i> |
| Contractual Services | \$ 143,342 | \$ 155,818 | \$ 244,550 | \$ 250,050 | \$ 5,500 | 2.25% |
| Utilities | \$ 168 | \$ 1,107 | \$ — | \$ 1,400 | \$ 1,400 | —% |
| Supplies | \$ 15,981 | \$ 16,217 | \$ 31,985 | \$ 31,235 | \$ (750) | -2.34% |
| Small Capital | \$ 2,559 | \$ 3,339 | \$ 6,500 | \$ 6,500 | \$ — | —% |
| <i>Expenses</i> | <i>\$ 162,050</i> | <i>\$ 176,481</i> | <i>\$ 283,035</i> | <i>\$ 289,185</i> | <i>\$ 6,150</i> | <i>2.17%</i> |
| Total 8200 Town Manager | \$ 876,594 | \$ 1,002,562 | \$ 1,215,714 | \$ 1,245,753 | \$ 30,039 | 2.47% |

*Rentals are comprised of rental receipts from the Waldorf School, Bertucci's Italian Restaurant, LexFarm and Peet's Coffee & Tea sidewalk rentals, cell tower lease revenue and the sublease of Kline Hall to LexMedia.

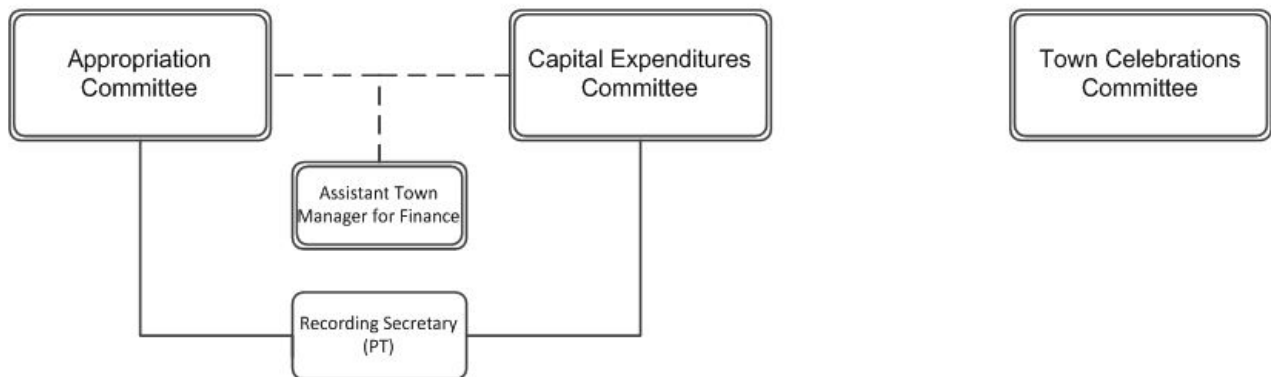
Budget Summary - Salary Adjustment (8230)

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Tax Levy | \$ 477,222 | \$ 408,732 | \$ 313,529 | \$ 826,422 | \$ 512,893 | 163.59% |
| Total 8230 Salary Adjustment | \$ 477,222 | \$ 408,732 | \$ 313,529 | \$ 826,422 | \$ 512,893 | 163.59% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Revised | FY2023 Recommended | Dollar Increase | Percent Increase |
|-------------------------------------|-------------------|-------------------|-------------------|--------------------|-------------------|------------------|
| Total 8230 Salary Adjustment | \$ 477,222 | \$ 408,732 | \$ 313,529 | \$ 826,422 | \$ 512,893 | 163.59% |
| Total 8230 Salary Adjustment | \$ 477,222 | \$ 408,732 | \$ 313,529 | \$ 826,422 | \$ 512,893 | 163.59% |

Mission: Town Committees includes the Appropriation Committee, Capital Expenditures Committee, Public Celebrations Committee and various boards and committees appointed by the Select Board, Moderator and the Town Manager.

Budget Overview: The Town Committees budget provides funding for a variety of statutory and advisory committees that are an integral part of the operation of local government in Lexington. The financial committees - the Appropriation Committee and the Capital Expenditures Committee - provide detailed financial review and analysis to Town Meeting. The Town Celebrations Committee, appointed by the Select Board, plans the Town's annual celebrations, including the Martin Luther King Day celebration, and parades on Veterans' Day, Patriots' Day, and Memorial Day.



Authorized/Appropriated Staffing

Limited staff support is provided through the Town Manager's Office and Finance Department, and a part-time Recording Secretary takes meeting minutes.

8300 Town Committees

Budget Recommendations:

The FY2023 recommended Town Committees budget is \$70,160, which is an increase of \$4,927 or 7.55% from FY2022.

Compensation will increase by \$135 or 2%, which reflects a cost of living adjustment. Expenses are funded at \$63,263, which is an increase of \$4,792 or 8.20%. This reflects a \$925 or 2.5% increase in supplies for the Town Celebrations Committee for increasing costs for Patriots' Day, and an additional \$4,000 (\$5,000 total) for the Dance Around the World event that was postponed in FY2020, FY2021, and FY2022 due to the pandemic.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|---|-----------------------|---|-----------------|-----------------------|---|-------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Lexington Human Rights Committee Budget | \$ 6,000 | \$ — | \$ 6,000 | \$ — | \$ — | \$ — | \$ 6,000 |
| Lexington Council for the Arts Expanded Programming | \$ 4,000 | \$ — | \$ 4,000 | \$ — | \$ — | \$ — | \$ 4,000 |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|-----------------------------------|------------------|------------------|------------------|------------------|-----------------|------------------|
| Tax Levy | \$ 10,102 | \$ 24,890 | \$ 65,233 | \$ 70,160 | \$ 4,927 | 7.55 % |
| Total 8300 Town Committees | \$ 10,102 | \$ 24,890 | \$ 65,233 | \$ 70,160 | \$ 4,927 | 7.55 % |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------------|------------------|------------------|----------------------|--------------------|-----------------|------------------|
| Compensation | \$ 3,954 | \$ 5,805 | \$ 6,762 | \$ 6,897 | \$ 135 | 2.00 % |
| Expenses | \$ 6,148 | \$ 19,085 | \$ 58,471 | \$ 63,263 | \$ 4,792 | 8.20 % |
| Total 8300 Town Committees | \$ 10,102 | \$ 24,890 | \$ 65,233 | \$ 70,160 | \$ 4,927 | 7.55 % |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------------|------------------|------------------|----------------------|--------------------|-----------------|------------------|
| Total 8310 Financial Committees | \$ 4,299 | \$ 6,329 | \$ 8,262 | \$ 8,397 | 135 | 1.63 % |
| Total 8320 Misc. Boards & Committees | \$ 103 | \$ 6,005 | \$ 10,500 | \$ 10,500 | \$ — | — % |
| Total 8330 Town Celebrations | \$ 5,700 | \$ 12,557 | \$ 46,471 | \$ 51,263 | \$ 4,792 | 10.31 % |
| Total 8300 Town Committees | \$ 10,102 | \$ 24,890 | \$ 65,233 | \$ 70,160 | \$ 4,927 | 7.55 % |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|-----------------------------------|------------------|------------------|----------------------|--------------------|-----------------|------------------|
| Salaries & Wages | \$ 3,954 | \$ 5,805 | \$ 6,762 | \$ 6,897 | \$ 135 | 2.00 % |
| Overtime | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Compensation</i> | <i>\$ 3,954</i> | <i>\$ 5,805</i> | <i>\$ 6,762</i> | <i>\$ 6,897</i> | <i>\$ 135</i> | <i>2.00 %</i> |
| Contractual Services | \$ 38 | \$ 6,183 | \$ 10,000 | \$ 10,000 | \$ — | — % |
| Utilities | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| Supplies | \$ 6,110 | \$ 12,902 | \$ 48,471 | \$ 53,263 | \$ 4,792 | 9.89 % |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | — % |
| <i>Expenses</i> | <i>\$ 6,148</i> | <i>\$ 19,085</i> | <i>\$ 58,471</i> | <i>\$ 63,263</i> | <i>\$ 4,792</i> | <i>8.20 %</i> |
| Total 8300 Town Committees | \$ 10,102 | \$ 24,890 | \$ 65,233 | \$ 70,160 | \$ 4,927 | 7.55 % |

Mission: The Finance Department is responsible for: (1) maintaining timely and accurate records on all financial activities of the Town; (2) administering internal financial controls; (3) facilitating the evaluation of the Town's financial condition; (4) ensuring that the delivery of Town services is done in compliance with Massachusetts General Laws that govern municipal finance; (5) providing timely and accurate financial information to managers of Town services to facilitate the evaluation of the cost effectiveness and efficiency of Town programs; (6) providing timely and accurate financial information to Town boards and committees to facilitate policy deliberation and formulation; and (7) safeguarding the financial assets of the Town.

Budget Overview: The Finance Department is comprised of the following divisions: the Comptroller's Office, the Treasurer/Collector's Office and the Assessing Office.

- The Comptroller's Office is responsible for maintaining the Town's general ledger (accounting), accounts payable, payroll and centralized purchasing. The Comptroller's budget is also inclusive of funding for the Assistant Town Manager for Finance, who oversees all financial operations of the Town, and the Budget Officer who in concert with the Assistant Town Manager for Finance and the Town Manager, develops and monitors the annual capital and operating budgets.
- The Treasurer/Collector's Office has three primary responsibilities: the collection and deposit of all Town taxes, fees and charges including property taxes, motor vehicle excise, utility billing and other local receipts (permit and license fees, fines, etc.); the management and investment of all revenues collected; and the issuance and servicing of debt.
- The Assessor's Office's primary function is the development of assessed values of real and personal property.

Staff also support various boards and committees including the Appropriation Committee, Capital Expenditures Committee, Retirement Board, Water and Sewer Abatement Board and other ad-hoc committees as assigned.

Departmental Initiatives:

Comptroller:

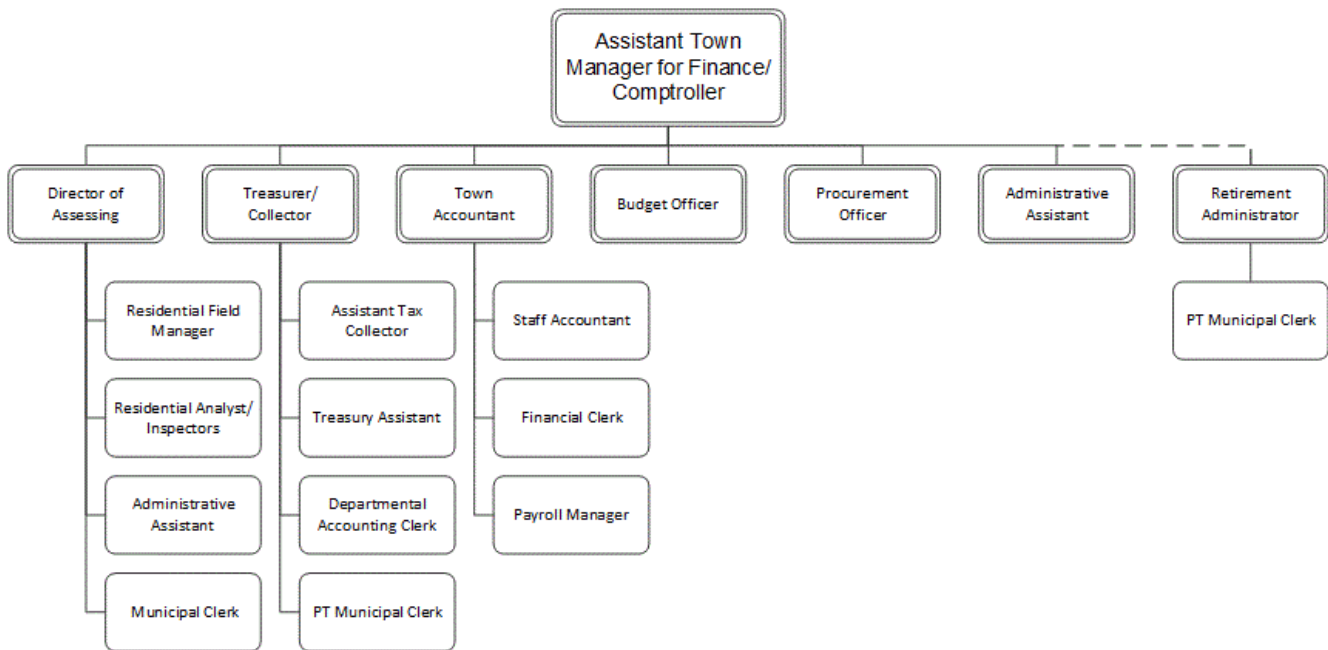
1. The Employee Self Service (ESS) module went live in FY2021 and employees now have view access to their own information in the online portal. The Comptroller's office continues to work on implementing Tyler Content Manager (TCM) in conjunction with the IT department. This module is an integrated document management and archiving system that will further expand functionality for ESS and move the department closer to paperless processing.
2. Over the last year the Federal Government has appropriated billions of dollars for pandemic relief through FEMA, the CARES Act, and the American Rescue Plan Act (ARPA). The Town of Lexington has been allocated millions of dollars through these programs and the Comptroller's office has taken on tracking, accounting, documentation and reporting of these funds. This initiative will continue for several more years and we will continue to maximize the amount of funding available to Lexington.
3. Partner with the Treasurer/Collector to implement electronic Accounts Payable as requested by vendors to decrease the overall number of printed and mailed checks.

Treasurer/Collector:

1. Implement an online portal for accepting gifts and donations for the Town's trust and gift accounts. Staff believes our existing payment vendor UniPay can be used for this purpose and will be working to design and implement this online payment option in the coming year.
2. Explore online access to individual property tax accounts.
3. The Water and Sewer department recently implemented the tracking of miscellaneous receivables (backflow billing) in Munis. The Finance department expects to add supplemental tax billing, PILOTS and TDM payments to this process in the coming year.

Assessor:

1. Enhance productivity through adoption of new technology to support data collection and input activity, including income and expense data.
2. Archive and electronically store all historical property record cards currently residing in the Assessor's Office.
3. Develop procedures for addressing and resolving commercial abatements without litigation.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--|--------------------------|--------------------------|--------------------------|---------------------------|
| Element 8410: Comptroller | | | | |
| Asst. Town Manager for Finance/Comptroller | 1 | 1 | 1 | 1 |
| Town Accountant | 1 | 1 | 1 | 1 |
| Staff Accountant | 1 | 1 | 1 | 1 |
| Procurement Officer | 0.91 | 0.91 | 0.91 | 0.91 |
| Financial Clerk | 1 | 1 | 1 | 1 |
| Payroll Manager* | — | — | 1 | 1 |
| Budget Officer | 1 | 1 | 1 | 1 |
| Administrative Assistant | 0.40 | 0.40 | 0.40 | 0.40 |
| Subtotal FTE | 6.31 | 6.31 | 7.31 | 7.31 |
| Subtotal FT/PT | 5FT/2PT | 5FT/2PT | 6FT/2PT | 6FT/2PT |
| Element 8420: Treasurer/Collector | | | | |
| Treasurer/Collector | 1 | 1 | 1 | 1 |
| Assistant Tax Collector | 1 | 1 | 1 | 1 |
| Treasury Assistant | 1 | 1 | 1 | 1 |
| Account Clerk | 1 | 1 | 1 | 1 |
| Municipal Clerk | 0.46 | 0.46 | 0.46 | 0.46 |
| Subtotal FTE | 4.46 | 4.46 | 4.46 | 4.46 |
| Subtotal FT/PT | 4FT/1PT | 4FT/1PT | 4FT/1PT | 4FT/1PT |
| Element 8430: Assessor | | | | |
| Director of Assessing | 1 | 1 | 1 | 1 |
| Residential Field Manager | 1 | 1 | 1 | 1 |
| Residential Analyst/Inspector | 2 | 2 | 2 | 2 |
| Office Manager | 1 | 1 | 1 | 1 |
| Municipal Clerk | 1 | 1 | 1 | 1 |
| Subtotal FTE | 6.0 | 6.0 | 6.0 | 6.0 |
| Subtotal FT/PT | 6FT/0PT | 6FT/0PT | 6FT/0PT | 6FT/0PT |
| Total FTE | 16.77 | 16.77 | 17.77 | 17.77 |
| Total FT/PT | 15FT/3 PT | 15FT/3 PT | 16FT/3 PT | 16FT/3 PT |

*In FY2022, a payroll manager was added via a program improvement.

Budget Recommendations:

The FY2023 recommended Finance Department budget is \$2,048,151, which represents a \$43,543, or 2.17% increase from the FY2022 budget.

The operating budget for Compensation is \$1,549,316, and reflects an increase of \$38,343 or 2.54%, which captures contractually obligated step increases. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended budget for Expenses is \$498,835, and reflects an increase of \$5,200 or 1.05%, which reflects a small number of inflationary increases.

Program Improvement Request:

None requested.

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|------------------------------|----------------------|----------------------|------------------------|-------------------------|------------------------|-------------------------|
| Tax Levy | \$ 1,500,102 | \$ 1,555,492 | \$ 1,822,694 | \$ 1,837,725 | \$ 15,031 | 0.82% |
| Enterprise Funds (Indirects) | \$ 163,526 | \$ 166,750 | \$ 149,914 | \$ 178,426 | \$ 28,512 | 19.02% |
| Fees & Charges | | | | | | |
| Charges for Services | \$ 34,229 | \$ 42,645 | \$ 32,000 | \$ 32,000 | \$ — | —% |
| Total 8400 Finance | \$ 1,697,857 | \$ 1,764,887 | \$ 2,004,608 | \$ 2,048,151 | \$ 43,543 | 2.17% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------|----------------------|----------------------|-----------------------------|---------------------------|------------------------|-------------------------|
| Compensation | \$ 1,328,134 | \$ 1,393,047 | \$ 1,510,973 | \$ 1,549,316 | \$ 38,343 | 2.54% |
| Expenses | \$ 369,723 | \$ 371,841 | \$ 493,635 | \$ 498,835 | \$ 5,200 | 1.05% |
| Total 8400 Finance | \$ 1,697,857 | \$ 1,764,887 | \$ 2,004,608 | \$ 2,048,151 | \$ 43,543 | 2.17% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|----------------------|----------------------|-----------------------------|---------------------------|------------------------|-------------------------|
| Total 8410 Comptroller | \$ 632,386 | \$ 630,442 | \$ 767,639 | \$ 797,386 | \$ 29,747 | 3.88% |
| Total 8420 Treasurer/Collector | \$ 413,231 | \$ 433,903 | \$ 459,243 | \$ 465,201 | \$ 5,958 | 1.30% |
| Total 8430 Assessing | \$ 652,240 | \$ 700,543 | \$ 777,726 | \$ 785,564 | \$ 7,838 | 1.01% |
| Total 8400 Finance | \$ 1,697,857 | \$ 1,764,887 | \$ 2,004,608 | \$ 2,048,151 | \$ 43,543 | 2.17% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|----------------------------|----------------------|----------------------|-----------------------------|---------------------------|------------------------|-------------------------|
| Salaries & Wages | \$ 1,325,306 | \$ 1,393,252 | \$ 1,510,973 | \$ 1,549,316 | \$ 38,343 | 2.54% |
| Overtime | \$ 2,827 | \$ (205) | \$ — | \$ — | \$ — | —% |
| <i>Personal Services</i> | <i>\$ 1,328,134</i> | <i>\$ 1,393,047</i> | <i>\$ 1,510,973</i> | <i>\$ 1,549,316</i> | <i>\$ 38,343</i> | <i>2.54%</i> |
| Contractual Services | \$ 344,683 | \$ 349,997 | \$ 449,345 | \$ 453,745 | \$ 4,400 | 0.98% |
| Utilities | \$ (4,641) | \$ (1,980) | \$ 1,950 | \$ 2,750 | \$ 800 | 41.03% |
| Supplies | \$ 29,681 | \$ 23,823 | \$ 42,340 | \$ 42,340 | \$ — | —% |
| Small Capital | \$ — | \$ — | \$ — | \$ — | \$ — | —% |
| <i>Expenses</i> | <i>\$ 369,723</i> | <i>\$ 371,841</i> | <i>\$ 493,635</i> | <i>\$ 498,835</i> | <i>\$ 5,200</i> | <i>1.05%</i> |
| Total 8400 Finance | \$ 1,697,857 | \$ 1,764,887 | \$ 2,004,608 | \$ 2,048,151 | \$ 43,543 | 2.17% |

Mission: The Office of the Town Clerk is the primary repository of official documents for the Town, and the custodian of and recording office for official Town and vital records. Responsibilities include issuing marriage licenses, recording vital statistics, issuing dog licenses, registering businesses, fulfilling public records requests, and conducting the annual Town Census. The Town Clerk's Office conducts elections in conformance with State and local laws and, with the Board of Registrars, processes voter registrations and certifications. The Town Clerk reports to the Deputy Town Manager.

Budget Overview: The four elements comprising the Office of the Town Clerk include Town Clerk Administration, Registration, Elections, and Archives & Records Management.

Town Clerk Administration: The Town Clerk acts as the Town's recording officer, registrar of vital statistics, and chief election official. The Town Clerk is the official record-keeper of Town Meeting, certifies bylaws, Town Meeting appropriations, filings with the Department of Revenue, signs notes for borrowing, and certifies official documents. The Town Clerk also registers all vital events within Lexington, recording births, marriages and deaths in accordance with State law. The Town Clerk is keeper of the seal, administers the oath of office to elected and appointed members of boards and committees, maintains records of adopted municipal codes, regulations, bylaws, oaths of office, resignations, appointments, and submits general bylaws and zoning bylaws to the Attorney General for approval. The Town Clerk's Office issues licenses and permits and serves as a central information point for residents.

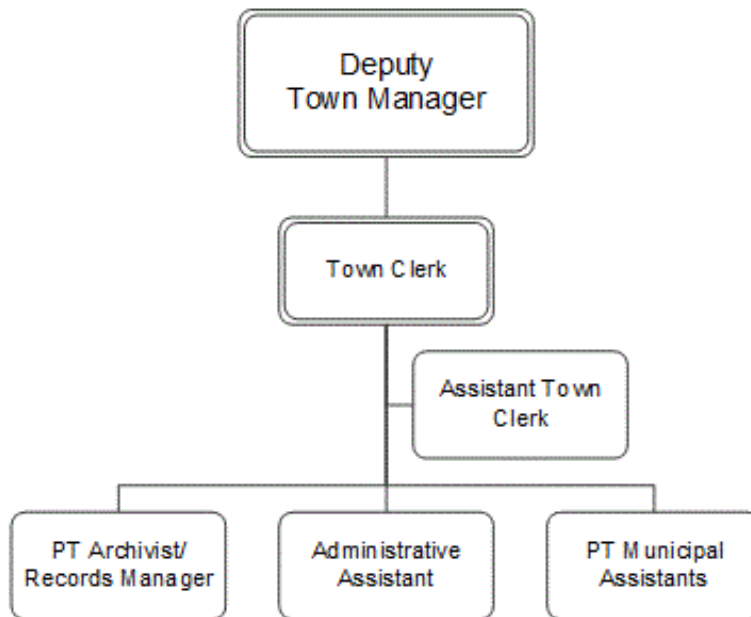
Board of Registrars: Registrars, appointed by the Select Board, are responsible for promoting voter registration, overseeing voter records and ruling on voter eligibility. Stipends for the Board of Registrars remain level-funded. Annual voter confirmations are conducted in accordance with State statute. The Annual Town Census and the publishing of the List of Residents is funded in this element.

Elections: This element includes administration of local, state and federal elections in accordance with election laws, most recently including Early Voting for State biennial Elections and the Presidential Primary, pre-registration of 16 and 17 year-olds, and automatic voter registration. Staff provide information on candidate certifications, referenda, initiative petitions, campaign finance laws, election procedures, ballot initiatives and voter information. Over 110 Election Workers staff Lexington's polling locations, and site preparations are coordinated with Public Works, Public Facilities, Police and Lexington Public Schools.

Records Management: This element addresses inventory and retention of historic and current records and documents, including proper maintenance and storage, preservation, management of electronic documents, and public access to public records and information. A part-time Archivist/Records Manager is responsible for this work and oversees the conservation and preservation of Lexington's historic documents.

Departmental Initiatives:

1. Ongoing administration of town/state/federal elections in conformance with statutory requirements to provide legal and accessible elections to Lexington voters. Emphasis on goal of utilizing municipal buildings for polling locations rather than schools.
2. Continued development of Archives & Records Management Program, including the management of the Town's electronic documents;
3. Continued use of Laserfiche Document Imaging System for records retention, electronic access, and archives/records portal, as well as for office use.
4. Continued use of Commonwealth of Massachusetts Electronic Vital Records Systems for births, deaths and burial permits.



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|---------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Town Clerk | 1 | 1 | 1 | 1 |
| Assistant Town Clerk | 1 | 1 | 1 | 1 |
| Administrative Assistant | 1 | 1 | 1 | 1 |
| Municipal Assistant | 1.23 | 1.23 | 1.23 | 1.23 |
| Archivist/Records Manager | 0.46 | 0.46 | 0.46 | 0.46 |
| Total FTE | 4.69 | 4.69 | 4.69 | 4.69 |
| Total FT/PT | 3 FT/ 3 PT | 3 FT/ 3 PT | 3 FT/ 3 PT | 3 FT/ 3 PT |

Budget Recommendations:

The FY2023 recommended Town Clerk budget is \$627,297 which is a \$124,866 or 24.85% increase from the FY2022 budget. In FY2022, only one local election was budgeted, whereas in FY2023 there will also be a state primary in September 2022 and a state general election in November 2022.

The budget for Compensation is \$470,247 and reflects a \$66,066 or 16.35% increase, which is primarily driven by a larger number of elections in FY2023. The increase in FY2023 compensation is inclusive of contractually obligated step increases and an increased need for poll workers. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The budget for Expenses is \$157,050, which is an increase of \$58,800 or 59.85%, and reflects a higher number of anticipated elections in FY2023, as well as a program improvement for \$30,500 to purchase electronic poll pads for each precinct in Lexington, increasing efficiency and reducing the need for paper reports.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|--|-----------------------|---|-----------------|-----------------------|---|-----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Municipal Clerk Position - additional hours | \$ 10,351 | \$ 16,554 | \$ 26,905 | \$ — | \$ — | \$ — | \$ 26,905 |
| Archivist/Records Manager - Additional Hours | \$ 20,606 | \$ 16,703 | \$ 37,309 | \$ — | \$ — | \$ — | \$ 37,309 |
| Election Modernization - Poll Pads | \$ 30,500 | \$ — | \$ 30,500 | \$ 30,500 | \$ — | \$ 30,500 | \$ — |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| Tax Levy | \$ 406,463 | \$ 438,936 | \$ 426,531 | \$ 546,397 | \$ 119,866 | 28.10% |
| Directed Funding | | | | | | |
| Departmental Fees | \$ 36,361 | \$ 36,943 | \$ 35,900 | \$ 35,900 | \$ — | —% |
| Licenses and Permits | \$ 42,255 | \$ 46,366 | \$ 40,000 | \$ 45,000 | \$ 5,000 | 12.50% |
| Total 8500 Town Clerk | \$ 485,079 | \$ 522,245 | \$ 502,431 | \$ 627,297 | \$ 124,866 | 24.85% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------|-------------------|-------------------|----------------------|--------------------|-------------------|------------------|
| Compensation | \$ 391,457 | \$ 427,766 | \$ 404,181 | \$ 470,247 | \$ 66,066 | 16.35% |
| Expenses | \$ 93,622 | \$ 94,479 | \$ 98,250 | \$ 157,050 | \$ 58,800 | 59.85% |
| Total 8500 Town Clerk | \$ 485,079 | \$ 522,245 | \$ 502,431 | \$ 627,297 | \$ 124,866 | 24.85% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--------------------------------|-------------------|-------------------|----------------------|--------------------|-------------------|------------------|
| Total 8510 Town Clerk Admin. | \$ 332,542 | \$ 338,717 | \$ 351,389 | \$ 347,595 | \$ (3,794) | -1.08% |
| Total 8520 Board of Registrars | \$ 20,128 | \$ 16,906 | \$ 18,525 | \$ 19,825 | \$ 1,300 | 7.02% |
| Total 8530 Elections | \$ 92,889 | \$ 121,755 | \$ 79,800 | \$ 204,875 | \$ 125,075 | 156.74% |
| Total 8540 Records Management | \$ 39,519 | \$ 44,867 | \$ 52,717 | \$ 55,002 | \$ 2,285 | 4.33% |
| Total 8500 Town Clerk | \$ 485,079 | \$ 522,245 | \$ 502,431 | \$ 627,297 | \$ 124,866 | 24.85% |

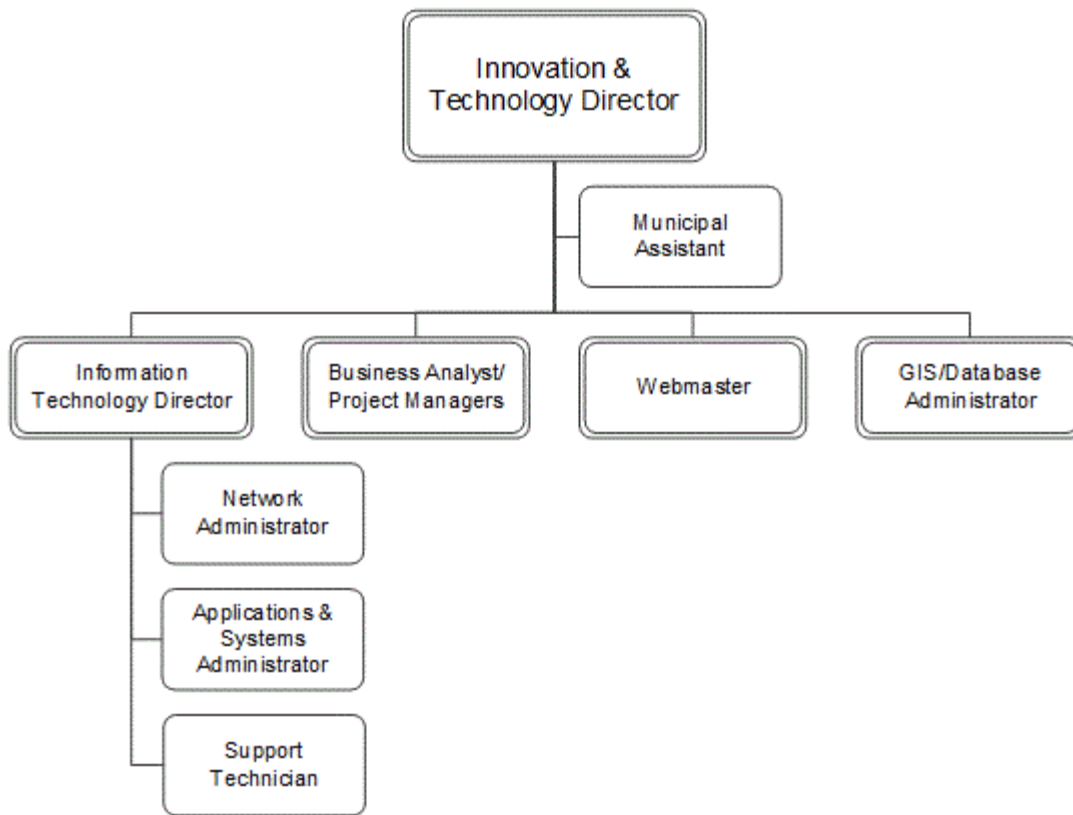
| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|------------------------------|-------------------|-------------------|----------------------|--------------------|-------------------|------------------|
| Salaries & Wages | \$ 373,302 | \$ 406,539 | \$ 395,881 | \$ 457,622 | \$ 61,741 | 15.60% |
| Overtime | \$ 18,155 | \$ 21,226 | \$ 8,300 | \$ 12,625 | \$ 4,325 | 52.11% |
| <i>Personal Services</i> | <i>\$ 391,457</i> | <i>\$ 427,766</i> | <i>\$ 404,181</i> | <i>\$ 470,247</i> | <i>\$ 66,066</i> | <i>16.35%</i> |
| Contractual Services | \$ 77,589 | \$ 89,770 | \$ 86,150 | \$ 113,600 | \$ 27,450 | 31.86% |
| Utilities | \$ 3,050 | \$ 2,400 | \$ 2,000 | \$ 2,000 | \$ — | —% |
| Supplies | \$ 12,982 | \$ 2,309 | \$ 10,000 | \$ 10,850 | \$ 850 | 8.50% |
| Small Capital | \$ — | \$ — | \$ 100 | \$ 30,600 | \$ 30,500 | 30,500.00% |
| <i>Expenses</i> | <i>\$ 93,622</i> | <i>\$ 94,479</i> | <i>\$ 98,250</i> | <i>\$ 157,050</i> | <i>\$ 58,800</i> | <i>59.85%</i> |
| Total 8500 Town Clerk | \$ 485,079 | \$ 522,245 | \$ 502,431 | \$ 627,297 | \$ 124,866 | 24.85% |

Mission: The Innovation & Technology (IT) Department's mission is to provide high-quality, cost-effective technology and services to Town administration and staff so that they can best serve the citizens of the Town of Lexington; and, to provide effective web services to employees and residents to facilitate both the dissemination and collection of information by town government.

Budget Overview: The IT department supports, maintains and manages Townwide business-related technology (e.g. technology that serves both the School and Municipal staff or environments). IT maintains the technology serving all Municipal departments. The department supports townwide core services including the financial system (MUNIS), time keeping (NovaTime), document management (Laserfiche), facilities maintenance and management technology, emergency management websites and services, and VoIP telephone systems. IT maintains the infrastructure and security of the network core and co-manages the townwide area network for municipal and school departments. The department manages municipal technology purchases and performs the installations and maintenance of Town information technology equipment and services. IT staff also provide support and training for end-users.

Departmental Initiatives:

1. Maximize the value of current systems
 - a. Laserfiche
 - b. ViewPoint Cloud
 - c. MUNIS
 - d. VISION
 - e. BlueBeam
 - f. ProPhoenix
 - g. SeamlessDocs
2. Continue to invest in the Town's IT infrastructure and security posture
 - a. Implement recommendations from the network assessment
 - b. Implement recommendations from the cybersecurity assessment
 - c. Investigate additional cybersecurity/security measures and services
3. Increase Customer Service Quality
 - a. Emphasis on a customer-centric approach to working with the departments and staff
4. Focus on future visioning for IT
 - a. Mobile work initiatives
 - b. Hosting and replatforming of core systems
 - c. Unified communication
 - d. Disaster Recovery (DR) planning and expansion of capabilities
 - e. Network redundancy planning and implementation



Authorized/Appropriated Staffing

| | FY2020 Budget | FY2021 Budget | FY2022 Budget | FY2023 Request |
|--------------------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| Innovation & Technology Director* | 1 | 1 | 1 | 1 |
| Information Technology Director | 1 | 1 | 1 | 1 |
| Municipal Assistant** | 0.43 | 0.43 | 0.43 | 0.54 |
| Business Analyst/Project Manager | 2 | 2 | 2 | 2 |
| Network Administrator | 1 | 1 | 1 | 1 |
| GIS/Database Administrator | 1 | 1 | 1 | 1 |
| Support Technician | 1 | 1 | 1 | 1 |
| Applications & Systems Administrator | 1 | 1 | 1 | 1 |
| Webmaster*** | 2 | 2 | 1 | 1 |
| Part-time Intern | 0.25 | 0.25 | 0.25 | 0.25 |
| Total FTE | 10.68 | 10.68 | 9.68 | 9.79 |
| Total FT/PT | 10 FT/2 PT | 10 FT/2 PT | 9 FT/2 PT | 9 FT/2 PT |

*In FY2021, the Information Technology Department was renamed the Department of Innovation & Technology, which resulted in a title change for the department head.

**In FY2023, a program improvement requests an increase in hours for the Municipal Assistant from 15 to 19 per week.

***In FY2022, a webmaster was reassigned to Cary Library at Fall 2021 Special Town Meeting.

Budget Recommendations:

The FY2023 recommended Innovation & Technology budget is \$2,727,727, which is a \$(61,565) or (2.21)% decrease from the FY2022 budget.

The recommended budget for Compensation is \$867,192, and reflects a \$(27,600) or (3.08)% decrease, which is a net change that reflects contractually obligated step increases and a program improvement to increase the hours for an administrative assistant, offset by the transfer of a webmaster to Cary Library. Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2022. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended budget for Expenses is \$1,860,535 and reflects a \$(33,965) or (1.79)% decrease, which incorporates the following adjustments:

- An increase in Communications and Network Support (\$75,000) to cover costs associated with the replacement of the Network Core, including a \$5,000 program improvement to maintain a redundant network anticipated to be installed in FY2023 using either capital or ARPA funding;
- A decrease in Contract Services (\$62,000) due to fewer projects requiring contracted services during FY2023;
- A decrease in PC Hardware (\$30,000) due to the large deployment of laptops during the pandemic and FY2022 budgeting;
- An increase in overall Software Maintenance (\$29,035) to reflect annual increases in software maintenance in applications like MUNIS and ProPhoenix as well as new software installations, offset by a reduction in the number of licenses for many other applications, especially under IT Software Support.
- A decrease in LAN Hardware (\$17,000) due to reduced server replacement needs.
- An increase in LAN Peripherals (\$12,000) for replacing the network switches at the Community Center.
- A decrease in various items (\$35,000) relating to office supplies, mobile phones and professional development to reflect actual expenses.

Program Improvement Requests:

| Description | Request | | | Recommended | | | Not Recommended |
|-------------------------------------|-----------------------|---|-----------------|-----------------------|---|----------|-----------------|
| | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total Requested | Salaries and Expenses | Benefits (reflected in Shared Expenses) | Total | |
| Administrative Assistant (PT to FT) | \$ 34,197 | \$ 16,900 | \$ 51,097 | \$ 6,838 | \$ 99 | \$ 6,937 | \$ 44,160 |
| Applications Administrator | \$ 66,895 | \$ 17,374 | \$ 84,269 | \$ — | \$ — | \$ — | \$ 84,269 |
| Fiber Maintenance and Repair | \$ 5,000 | \$ — | \$ 5,000 | \$ 5,000 | \$ — | \$ 5,000 | \$ — |

Budget Summary

| Funding Sources | FY2020 Actual | FY2021 Actual | FY2022 Estimate | FY2023 Projected | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|---------------------|---------------------|--------------------|------------------|
| Tax Levy | \$ 1,792,874 | \$ 2,109,853 | \$ 2,700,253 | \$ 2,604,272 | \$ (95,981) | -3.55% |
| Enterprise Funds (Indirects) | \$ 142,966 | \$ 119,524 | \$ 89,039 | \$ 123,455 | \$ 34,416 | 38.65% |
| Total 8600 Innovation & Tech. | \$ 1,935,840 | \$ 2,229,377 | \$ 2,789,292 | \$ 2,727,727 | \$ (61,565) | -2.21% |

| Appropriation Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|----------------------|---------------------|--------------------|------------------|
| Compensation | \$ 860,292 | \$ 836,010 | \$ 894,792 | \$ 867,192 | \$ (27,600) | -3.08% |
| Expenses | \$ 1,075,548 | \$ 1,393,367 | \$ 1,894,500 | \$ 1,860,535 | \$ (33,965) | -1.79% |
| Total 8600 Innovation & Tech. | \$ 1,935,840 | \$ 2,229,377 | \$ 2,789,292 | \$ 2,727,727 | \$ (61,565) | -2.21% |

| Program Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|----------------------|---------------------|--------------------|------------------|
| 8610 IT Administration | \$ 1,935,840 | \$ 2,229,377 | \$ 2,789,292 | \$ 2,727,727 | \$ (61,565) | -2.21% |
| Total 8600 Innovation & Tech. | \$ 1,935,840 | \$ 2,229,377 | \$ 2,789,292 | \$ 2,727,727 | \$ (61,565) | -2.21% |

| Object Code Summary | FY2020 Actual | FY2021 Actual | FY2022 Appropriation | FY2023 Recommended | Dollar Increase | Percent Increase |
|--|---------------------|---------------------|----------------------|---------------------|--------------------|------------------|
| Salaries & Wages | \$ 855,562 | \$ 831,717 | \$ 890,374 | \$ 862,716 | \$ (27,658) | -3.11% |
| Overtime | \$ 4,729 | \$ 4,293 | \$ 4,418 | \$ 4,476 | \$ 58 | 1.31% |
| <i>Personal Services</i> | <i>\$ 860,292</i> | <i>\$ 836,010</i> | <i>\$ 894,792</i> | <i>\$ 867,192</i> | <i>\$ (27,600)</i> | <i>-3.08%</i> |
| Contractual Services | \$ 891,561 | \$ 1,179,015 | \$ 1,542,000 | \$ 1,552,035 | \$ 10,035 | 0.65% |
| Utilities | \$ 82,381 | \$ 95,684 | \$ 129,000 | \$ 127,500 | \$ (1,500) | -1.16% |
| Supplies | \$ (4,401) | \$ 7,560 | \$ 29,500 | \$ 17,000 | \$ (12,500) | -42.37% |
| Small Capital | \$ 106,007 | \$ 111,108 | \$ 194,000 | \$ 164,000 | \$ (30,000) | -15.46% |
| <i>Expenses</i> | <i>\$ 1,075,548</i> | <i>\$ 1,393,367</i> | <i>\$ 1,894,500</i> | <i>\$ 1,860,535</i> | <i>\$ (33,965)</i> | <i>-1.79%</i> |
| Total 8600 Innovation & Tech. | \$ 1,935,840 | \$ 2,229,377 | \$ 2,789,292 | \$ 2,727,727 | \$ (61,565) | -2.21% |

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Section XI: Capital Investment

FY2023 Capital Improvement Budget & Financing Plan

INTRODUCTION

A crucial aspect of the Town's operations, from providing services to its residents and businesses to equipping employees to effectively perform their jobs, requires the existence of certain basic physical assets. These assets include streets, water mains, parks, buildings, large equipment and technology. They must be purchased, maintained and replaced on a timely basis or their usefulness in providing public services will diminish. The Town's five-year Capital Improvements Program and annual Capital Budget are developed to ensure adequate capital investment in the Town's assets.

Definition of Capital Projects

A capital project is defined as a major, non-recurring expenditure that generally meets the following criteria:

- Massachusetts General Law permits the Town to issue bonds to finance the expenditure;
- The expenditure is \$25,000 or more;
- The expenditure will have a useful life of 10 years or more for buildings or building components and 5 years for vehicles and equipment; and
- Planning, engineering, or design services may be considered capital when such services are integral to a construction, renewal or replacement project that meets the criteria for a capital expenditure.

CAPITAL POLICY FRAMEWORK

The FY2023 Capital Budget was developed within the capital policy framework initially adopted by the Select Board in 1991, and subsequently amended in 2006 and 2009 to ensure adequate planning and funding for capital investment, particularly cash capital projects within the General Fund. This capital investment strategy includes the following major elements:

- Multi-year planning for capital investment;
- Debt exclusions for major capital projects; and
- Ensuring sufficient operating budget resources for maintaining capital assets.

FIVE-YEAR CAPITAL PROGRAM

Five-year capital improvement planning has been part of Lexington's budget development process for many years. Multi-year planning allows proper staging and sequencing of capital projects to smooth financing plans and to make funding needs more predictable. Capital investment requirements can vary, involving unique large projects such as a fire vehicle or a school building. Other capital investment needs are recurring such as the annual program to resurface roadways.

The five-year Capital Improvement Program includes all anticipated capital projects identified by school and municipal departments over the next five years. In 2021, the Department of Public Facilities completed a full review of the Town's buildings and systems and developed a 20-year plan for replacing and maintaining building assets. The new 20-year plan did not inform the capital plan for this FY2023 budget, but will be utilized in future budget cycles to prioritize Public Facilities capital projects.

The following are potential funding sources for financing the Town's capital investments:

- **Cash Financing** - The Town regularly appropriates available funds (i.e., cash financing) from the general and enterprise funds to finance certain capital investment projects. Examples of available funds are unreserved fund balance (free cash), tax levy, enterprise fund retained earnings, specialized stabilization funds, premiums received when issuing bond anticipation notes, and, when available, unexpended balances of prior years' capital articles.
- **Debt** - The Town has traditionally financed large dollar value capital projects with debt. Depending upon the project, the debt service resulting from debt-funded capital projects can be financed from a variety of sources including the General Fund (either within the Levy Limit or from a voter approved Proposition 2½ debt exclusion), Enterprise and Revolving Funds or the Community Preservation Fund (see discussion of the CPA below).

In 2019, the Town's management, Select Board and finance committees reviewed the Town's finance policies and will be implementing new strategies for funding the Town's capital plan. This includes increasing cash financing of projects, particularly the items that are part of a continuing capital program, and reducing the Town's overall reliance on debt financing.

- **Other Sources** - The Town uses dedicated state aid and grant funding to finance capital investment when these funds are available.
- **Community Preservation Act (CPA) Funds** - Beginning in FY2007, following voter approval, the Town began to assess a Community Preservation Surcharge of 3% of the property tax levied against all taxable real property. For owners of residential property, the assessed value used to calculate the surcharge is net of a \$100,000 residential exemption. Community Preservation funds can be used for those purposes defined by the Community Preservation Act, MGL Ch. 44B. Such purposes include the acquisition and preservation of open space, the creation and support of community (affordable) housing, the acquisition and preservation of historic resources, and the creation and support of recreational facilities.

Beginning in FY2008, the Town began to receive State matching funds to supplement the local surcharge. Over time, as additional communities in the Commonwealth adopted the CPA surcharge, the annual percentage of state matching funds gradually decreased. In 2019, the state enacted new legislation to increase funding to the Community Preservation budget, and Lexington's annual match is expected to increase significantly. This new legislation became effective beginning in January 2020, and in November 2020, Lexington received a State match of \$1.5 million, or 29.7% of its surcharge revenue. In FY2022 the State match further increased to at total of 40.9%, or \$2.2 million. Receipts for FY2023 from the surcharge and state matching funds are preliminarily estimated at \$8.1 million, reflecting an estimated match of \$2.2 million, or 38%.

FY2023 CAPITAL FINANCING STRATEGY

The proposed financing plan for the recommended FY2023 capital budget is shown in the table below.

| Capital Requests Summary | | | | | |
|---------------------------------|--------------------------------|--------------------------------------|----------------------|----------------------|-------------------|
| | Free Cash/ Tax Levy | Other Funding Sources | Debt | Total | Other** |
| General Fund | \$ 12,942,290 | \$ — | \$ 5,940,000 | \$ 18,882,290 | \$ — |
| Excluded Debt Projects | \$ — | \$ — | \$ 32,800,000 | \$ 32,800,000 | \$ — |
| Other Funding & Chapter 90 | \$ — | \$ 548,747 | \$ — | \$ 548,747 | \$ 982,231 |
| Water Enterprise | \$ — | \$ 2,420,000 | \$ — | \$ 2,420,000 | \$ — |
| Sewer Enterprise | \$ — | \$ 1,665,000 | \$ 1,500,000 | \$ 3,165,000 | \$ — |
| Recreation Enterprise | \$ — | \$ 95,000 | \$ — | \$ 95,000 | \$ — |
| Community Preservation Act* | \$ — | \$ 11,322,556 | \$ — | \$ 11,322,556 | \$ — |
| Total (all Funds) | \$ 12,942,290 | \$ 16,051,303 | \$ 40,240,000 | \$ 69,233,593 | \$ 982,231 |

*Includes both Town and non-Town CPA funded projects.

**Other represents Chapter 90 Aid for street improvements. This item does not require a Town Meeting appropriation.

The following table, FY2023 Recommended Capital Budget, lists all FY2023 projects recommended by the Select Board for consideration and their estimated costs by program area and funding source. The Capital Expenditures Committee and Appropriation Committee have also been evaluating these requests and will issue reports and recommendations to Town Meeting.

FY2023 Recommended Capital Budget

| Department | Project Description | Recommendation | Requested Funding Source(s) | ATM Article |
|---|---|----------------------|-----------------------------|-------------|
| Conservation | West Farm Meadow Preservation | \$ 28,175 | CPA | 10 |
| Conservation | Wright Farm Barn Stabilization and Preservation | \$ 155,000 | CPA | 10 |
| Economic Development | Hartwell District Signage | \$ 65,000 | TMOD Stabilization Fund | 12 |
| Land Use | Townwide Pedestrian & Bicycle Plan | \$ 65,000 | Traffic Stabilization Fund | 12 |
| Planning | South Lexington and Forbes-Marrett Traffic Mitigation Plans | \$ 175,000 | Traffic Stabilization Fund | 12 |
| Planning/Engineering | Transportation Mitigation | \$ 6,824 | TNC Spec. Revenue Fund | 12 |
| Total Land Use, Health and Development | | \$ 494,999 | | |
| Fire | Replace Pumper Truck | \$ 650,000 | Free Cash | 12 |
| Total Public Safety | | \$ 650,000 | | |
| Recreation & Comm. Pgms. | Pine Meadows Improvements | \$ 95,000 | Recreation RE | 11 |
| Recreation & Comm. Pgms. | Park and Playground Improvements | \$ 200,000 | CPA | 10 |
| Recreation & Comm. Pgms. | Park Improvements - Athletic Fields | \$ 250,000 | CPA | 10 |
| Recreation & Comm. Pgms. | Park Improvements - Hard Court Surfaces | \$ 2,500,000 | CPA | 10 |
| Recreation & Comm. Pgms. | Community Park Master Plan - Lincoln Park | \$ 100,000 | CPA | 10 |
| Total Culture and Recreation | | \$ 3,145,000 | | |
| Public Facilities | Public Facilities Bid Documents | \$ 100,000 | Free Cash | 16 |
| Public Facilities | Building Flooring | \$ 150,000 | Free Cash | 16 |
| Public Facilities | School Paving and Sidewalks | \$ 145,000 | Free Cash | 16 |
| Public Facilities | Mechanical/Electrical Systems Replacements | \$ 787,000 | Free Cash | 16 |
| Public Facilities | Municipal Building Envelopes and Associated Systems | \$ 219,540 | Tax Levy | 16 |
| Public Facilities | Townwide Roofing | \$ 428,000 | Free Cash | 16 |
| Public Facilities | School Building Envelopes and Associated Systems | \$ 251,400 | Free Cash | 16 |
| Public Facilities | Playground Enhancements - Pour-in-Place Surfaces | \$ 1,459,591 | CPA | 10 |
| Public Facilities | Center Recreation Complex Bathrooms & Maintenance Building Renovation | \$ 915,000 | CPA | 10 |
| Public Facilities | Lexington Police Station Construction | \$ 32,800,000 | Exempt Debt | STM |
| Public Facilities | LHS Feasibility Study | \$ 1,825,000 | GF Debt | STM |
| Public Facilities | High School Equipment Emergency Funds | \$ 500,000 | GF Debt | 16 |
| Public Facilities | Town Pool Water Heater Replacement | \$ 31,000 | Free Cash | 16 |
| Total Public Facilities Department | | \$ 39,611,531 | | |
| Public Works | Townwide Culvert Replacement | \$ 390,000 | Free Cash | 12 |
| Public Works | Equipment Replacement | \$ 1,536,000 | Water-Sewer RE/Free Cash | 12 |
| Public Works | Sidewalk Improvements | \$ 800,000 | Free Cash/Prior Bond Auth. | 12 |
| Public Works | Townwide Signalization Improvements | \$ 125,000 | Free Cash | 12 |
| Public Works | Storm Drainage Improvements and NPDES Compliance | \$ 570,000 | Free Cash | 12 |
| Public Works | Comprehensive Watershed Stormwater Management | \$ 390,000 | Free Cash | 12 |
| Public Works | Street Improvements | \$ 2,669,767 | Tax Levy | 12 |
| Public Works | Pump Station Upgrades | \$ 2,000,000 | Wastewater RE/Debt | 14 |
| Public Works | Sanitary Sewer System Investigation and Improvements | \$ 1,020,000 | Wastewater RE/User Charges | 14 |
| Public Works | Water Distribution System Improvements | \$ 2,200,000 | Water RE/User Charges | 13 |
| Public Works | Hydrant Replacement Program | \$ 150,000 | Water RE/Free Cash | 12 |
| Public Works | Battle Green Streetscape Improvements | \$ 4,975,000 | Free Cash/GF Debt | 12 |
| Public Works | Municipal Parking Lot Improvements | \$ 60,000 | Free Cash | 12 |
| Public Works | Public Parking Lot Improvement Program | \$ 100,000 | Free Cash | 12 |
| Public Works | New Sidewalk Installations | \$ 75,000 | Free Cash | 12 |
| Total Public Works Department | | \$ 17,060,767 | | |
| Lexington Public Schools | LPS Technology Program | \$ 1,343,006 | Free Cash | 15 |
| Total Lexington Public Schools | | \$ 1,343,006 | | |
| Innovation & Technology | Application Implementation | \$ 158,500 | Free Cash | 12 |
| Innovation & Technology | Network Redundancy & Improvement Plan | \$ 945,000 | Free Cash | 12 |
| Innovation & Technology | Scanning - Electronic Document Management | \$ 110,000 | Free Cash | 12 |
| Town Clerk | Archives & Records Management | \$ 20,000 | CPA | 10 |
| Total General Government | | \$ 1,233,500 | | |

| | | | | |
|---|---|----------------------|-----|----|
| <i>Lexington Housing Authority</i> | Vynebrooke Village ModPHASE Modernization Project | \$ 160,790 | CPA | 10 |
| <i>Lexhab</i> | 116 Vine Street Affordable Housing Construction | \$ 5,300,000 | CPA | 10 |
| <i>Lexhab</i> | Affordable Housing Unit Renewal | \$ 234,000 | CPA | 10 |
| Total Non-Governmental Projects | | \$ 5,694,790 | | |
| Total FY2023 Recommendations - All Funds | | \$ 69,233,593 | | |

CAPITAL PLAN BY FINANCING SOURCE

The following pages include tables that show the recommended FY2023 capital projects by financing source: General Fund debt; Water Fund debt; Wastewater Fund debt; Recreation and Community Programs Fund debt; Proposition 2½ excluded debt; Community Preservation Fund debt; Compost Revolving Fund debt; and cash capital (i.e., current revenue).

Each debt-related table includes the projected debt service impact of recommended projects, actual debt service on debt authorized and issued, and projected debt service on debt authorized and unissued. Finally, each table is accompanied by a written description of each recommended project.

FY2023 RECOMMENDED PROJECTS - GENERAL FUND DEBT (Table I)

| TABLE I: FY2023 RECOMMENDED PROJECTS - GENERAL FUND DEBT | | | | | | | | | | |
|---|--|--------------------|------|---------------|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | | Amount Financed | Term | Interest Rate | PROJECTED DEBT SERVICE | | | | | |
| | | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| MUNICIPAL PROJECTS | | | | | | | | | | |
| 1 | Battle Green Streetscape Improvements (\$4,975,000) | \$ 3,615,000 | 15 | 4% | | \$ 96,400 | \$ 385,600 | \$ 375,960 | \$ 366,320 | \$ 356,680 |
| Subtotal | | \$ 3,615,000 | | | | \$ 96,400 | \$ 385,600 | \$ 375,960 | \$ 366,320 | \$ 356,680 |
| FACILITIES PROJECTS | | | | | | | | | | |
| Within-Levy Projects | | | | | | | | | | |
| 1 | High School Equipment Emergency Funds | \$ 500,000 | 5 | 4% | | \$ — | \$ 120,000 | \$ 116,000 | \$ 112,000 | \$ 108,000 |
| Subtotal | | \$ 500,000 | | | | \$ — | \$ 120,000 | \$ 116,000 | \$ 112,000 | \$ 108,000 |
| Project that is a potential candidate for debt exclusion | | | | | | | | | | |
| 1 | LHS Feasibility Study | \$ 1,825,000 | 5 | 4% | | \$ — | \$ 73,000 | \$ 438,000 | \$ 423,400 | \$ 408,800 |
| Subtotal | | \$ 1,825,000 | | | | \$ — | \$ 73,000 | \$ 438,000 | \$ 423,400 | \$ 408,800 |
| TOTAL PROJECT COSTS | | \$5,940,000 | | | | \$ 96,400 | \$ 578,600 | \$ 929,960 | \$ 901,720 | \$ 873,480 |
| AUTHORIZED LEVY SUPPORTED DEBT SERVICE | | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| A | Approved and Issued | | | | | \$ 6,491,534 | \$ 5,472,708 | \$ 4,142,558 | \$ 2,972,282 | 2,432,262 |
| B | Projected Approved and Unissued | | | | | \$ 953,646 | \$ 2,326,180 | \$ 2,260,016 | \$ 2,193,852 | \$ 2,127,688 |
| C | Total Debt Service on Authorized Debt | | | | | \$ 7,445,180 | \$ 7,798,888 | \$ 6,402,574 | \$ 5,166,134 | \$ 4,559,950 |
| D | Projected New Levy Supported Debt Service (above) | | | | | \$ 96,400 | \$ 578,600 | \$ 929,960 | \$ 901,720 | \$ 873,480 |
| E | TOTAL - PROJECTED LEVY SUPPORTED DEBT SERVICE | | | | | \$10,397,112 | \$ 7,541,580 | \$ 8,377,488 | \$ 7,332,534 | \$ 6,067,854 |
| F | Plus: Projected Debt Service on Future Capital Projects | | | | | | \$ 155,133 | \$ 1,442,735 | \$ 2,755,935 | \$ 4,096,011 |
| G | Less: Debt Service Funded from Special Revenue Accounts | | | | | \$ (51,933) | \$ (16,125) | \$ (132,023) | \$ (124,148) | \$ (124,148) |
| H | Less: Revenue Set Aside for Paydown of Land Purchases | | | | | \$ (2,320,274) | \$ — | \$ — | \$ — | \$ — |
| I | Less: Proposed Use of Stabilization Fund | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| J | Total Offsets to Projected Levy Supported Debt Service (G+H+I) | | | | | \$ (2,372,207) | \$ (16,125) | \$ (132,023) | \$ (124,148) | \$ (124,148) |
| K | PROJECTED NET LEVY SUPPORTED DEBT SERVICE (E+F+J) | | | | | \$ 8,024,905 | \$ 7,525,455 | \$ 8,400,598 | \$ 8,651,121 | \$ 8,699,641 |

Municipal Projects

- 1. Battle Green Streetscape Improvements - \$4,975,000 (\$3,615,000 General Fund Debt; \$1,360,000 Free Cash):** This request will fund the remaining design, construction and project management for the roadways around the Lexington Battle Green, which currently includes a preferred roundabout alternative for the intersection with Hancock Street and Massachusetts Avenue. Prior authorizations from FY2013 and FY2016 funded a review of the pedestrian and vehicular safety and flow in and around the Battle Green, ways to enhance the access and visibility of the historical sites and how it relates to the overall Center Streetscape Project. A conceptual plan has been developed and will be further refined through the remaining design phase and public outreach process. The funding for both final design and construction is being requested for this Town Meeting to allow for the work to be completed in advance of the 250th anniversary of the Battle of Lexington.

Facilities Projects

In 2020, the Department of Public Facilities conducted an evaluation of all the Town's building-related capital assets. This study produced a detailed report on the current condition of DPF assets, including a 20-year Master Plan for renovations and replacements of all town buildings and systems. Due to timing of receipt of the report, and DPF's focus on ensuring ongoing operations and town and school buildings during the pandemic, recommendations from the report have not been incorporated into this budget. Initial conversations with policy makers on insights gleaned from the report data will begin in early 2022, and we expect that staff will further update and prioritize the long-term capital plan in a way that is financially feasible and and best protects the Town's capital assets.

- 1. High School Equipment Emergency Funds - \$500,000 (General Fund Debt):** The Lexington High School is a building with many needs, both in terms of the ability to house a high performing educational program and the physical facility itself. The facility continues to age and some systems have exceeded their useful life. The Facilities department continues to perform regular preventative maintenance, however some systems are still in danger of failing. The Town has begun planning for a significant construction project in the coming years, and the Lexington School Committee has submitted a Statement of Interest to the MSBA for consideration of a new or refurbished high school. While waiting on that invitation, and the construction that will follow, this request would provide a funding authorization to repair or replace a major mechanical system in an emergency situation only. This debt authorization will remain open and available for expenditure until a new or refurbished facility is operational, and at that time any unused portion would be rescinded.

Potential Candidate for Debt Exclusion

- 1. LHS Feasibility Study - \$1,825,000 (General Fund Debt):** Lexington High School (LHS) was renovated in 2000 to a capacity of 1,842 students. In 2014 and 2015, prefabricated buildings were added to the campus, increasing the number of classrooms. The January 28, 2015, Symmes Maini & McKee Associates (SMMA) Lexington Public Schools Master Plan Report identified the "classroom" capacity of LHS to be 2,270 students, though also identifying that core areas would still be overcrowded. This existing capacity was projected to provide sufficient classroom space for the next five years. From the SMMA Master Plan, a School Building Project Consensus Plan was developed that identified adding capacity to the middle schools, elementary schools, and pre-Kindergarten, as the priorities over the next five years. School Committee submitted a Statement of Interest (SOI) to the Massachusetts School Building Authority (MSBA) to evaluate LHS for insufficient educational capacity and system upgrades. Should the MSBA select the Lexington SOI, funding would be required for the Feasibility Study. The SOIs submitted to the MSBA in 2019 and 2020 were not selected to move forward. In February 2021, the School Committee again submitted an SOI to the MSBA and expect to hear if the LHS project is selected in March of 2022. If the Town is invited into the MSBA program, funding for the LHS Feasibility Study will be requested at a 2022 Special Town Meeting.

FY2023 RECOMMENDED PROJECTS - WATER FUND DEBT (Table II)

| TABLE II: FY2023 RECOMMENDED PROJECTS - WATER DEBT | | | | | | | | | |
|---|-----------------|------|---------------|--------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Project | Amount Financed | Term | Interest Rate | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| 1 None proposed. | \$ — | --- | --- | | \$ — | \$ — | \$ — | \$ — | \$ — |
| TOTAL PROJECT COSTS | \$ — | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| AUTHORIZED WATER DEBT SERVICE | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| A Subtotal: Authorized and Issued | | | | | \$ 1,006,679 | \$ 849,135 | \$ 692,868 | \$ 666,206 | \$ 635,015 |
| B Subtotal: Approved and Unissued (short and long-term) | | | | | \$ 218,067 | \$ 626,400 | \$ 615,560 | \$ 604,720 | \$ 593,880 |
| C Total: Debt Service on Authorized Debt | | | | | \$1,224,746 | \$1,475,535 | \$1,308,428 | \$1,270,926 | \$1,228,895 |
| D Subtotal: Projected Debt Service on Proposed Capital Projects | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| E TOTAL PROJECTED WATER DEBT SERVICE | | | | | \$1,179,794 | \$1,224,746 | \$1,475,535 | \$1,308,428 | \$1,228,895 |

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - WASTEWATER FUND DEBT (Table III)

| TABLE III: FY2023 RECOMMENDED PROJECTS - WASTEWATER DEBT | | | | | | | | | |
|---|--------------------|------|---------------|--------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Project | Amount Financed | Term | Interest Rate | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| 1 Pump Station Upgrades (\$2,000,000) | \$1,500,000 | 10 | 4% | | \$ 40,000 | \$ 210,000 | \$ 204,000 | \$ 198,000 | \$ 192,000 |
| TOTAL PROJECT COSTS | \$1,500,000 | | | | \$ 40,000 | \$ 210,000 | \$ 204,000 | \$ 198,000 | \$ 192,000 |
| AUTHORIZED SEWER DEBT SERVICE | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| A Subtotal: Authorized and Issued Debt | | | | | \$ 1,355,417 | \$ 1,099,820 | \$ 1,019,324 | \$ 928,187 | \$ 845,285 |
| B Subtotal: Approved and Unissued Debt (short and long-term) | | | | | \$ 200,000 | \$ 557,800 | \$ 548,920 | \$ 540,040 | \$ 531,160 |
| C Total: Debt Service on Authorized Debt | | | | | \$1,555,417 | \$1,657,620 | \$1,568,244 | \$1,468,227 | \$1,376,445 |
| D Subtotal: Projected Debt Service on Proposed Capital Projects | | | | | \$ 40,000 | \$ 210,000 | \$ 204,000 | \$ 198,000 | \$ 192,000 |
| E TOTAL PROJECTED SEWER DEBT SERVICE | | | | | \$1,464,513 | \$1,595,417 | \$1,867,620 | \$1,772,244 | \$1,568,445 |

- 1. Pump Station Upgrades - \$2,000,000 (\$1,500,000 Wastewater Debt, \$500,000 Wastewater Retained Earnings):** This is an ongoing program to upgrade Lexington's ten sewer pumping stations. In 2013, an evaluation and capital plan was developed for the Town with the assistance of Wright-Pierce, including a detailed engineering survey of the pump stations. The survey helped determine current and future needs, timetable and probable costs for the proposed work. Construction has been completed on the pump stations at Worthen Road, Marshall Road and Constitution Road. Design has been finalized for construction at the Hayden Avenue pump station and the recent bid process resulted in significant cost increases over original projections. Design is underway and near completion for the North Street pump station, and given the recent bid results the construction cost for the North Street pump station has increased significantly to reflect current market prices. The goal of this program is to upgrade all of the pumps and support systems to enable better energy efficiency and avoid emergency expenditures.

FY2023 RECOMMENDED PROJECTS - RECREATION FUND DEBT (Table IV)

| TABLE IV: FY2023 RECOMMENDED PROJECTS - RECREATION and COMMUNITY PROGRAMS DEBT | | | | | | | | | |
|--|-----------------|------|---------------|--------|--------|--------|--------|--------|--------|
| Project | Amount Financed | Term | Interest Rate | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| 1 None Proposed | \$ — | --- | --- | | \$ — | \$ — | \$ — | \$ — | \$ — |
| TOTAL PROJECT COSTS | \$ — | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| AUTHORIZED RECREATION REVENUE DEBT SERVICE | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| A Subtotal: Approved and Issued Debt Service | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| B Subtotal: Approved and Unissued Debt Service | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| C Total: Approved Debt Service | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| D Subtotal: Projected Debt Service on Proposed Capital Projects | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| E TOTAL PROJECTED DEBT SERVICE | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2½ DEBT EXCLUSION (Table V)

| TABLE V: FY2023 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2½ DEBT EXCLUSION | | | | | | | | | |
|--|-----------------|------|---------------|--------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Project | Amount Financed | Term | Interest Rate | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Lexington Police Station Construction | \$ 32,800,000 | 30 | — | | \$ — | \$ 2,405,333 | \$ 2,361,600 | \$ 2,317,867 | \$ 2,274,133 |
| Total Project Cost | \$ 32,800,000 | | | | \$ — | \$ 2,405,333 | \$ 2,361,600 | \$ 2,317,867 | \$ 2,274,133 |
| APPROVED AND PROPOSED EXCLUDED DEBT SERVICE | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| Subtotal: Approved and Issued Debt | | | | | \$ 15,945,696 | \$ 14,023,382 | \$ 13,629,861 | \$ 13,229,441 | \$ 12,681,295 |
| Subtotal: Approved and Unissued Debt | | | | | \$ 34,606 | \$ 1,018,557 | \$ 989,311 | \$ 960,066 | \$ 930,820 |
| Total: Approved Excluded Debt Service | | | | | \$ 15,980,302 | \$ 15,041,939 | \$ 14,619,172 | \$ 14,189,507 | \$ 13,612,115 |
| Subtotal: Subtotal - Projected Exempt Debt Service (above) | | | | | \$ — | \$ 2,405,333 | \$ 2,361,600 | \$ 2,317,867 | \$ 2,274,133 |
| Total Approved and Proposed Excluded Debt Service | | | | | \$16,747,991 | \$15,980,302 | \$17,447,272 | \$16,980,772 | \$16,507,374 |
| Less: use of Capital Stabilization Fund to Mitigate Debt Service Impacts on Property Tax Bills | | | | | \$ (2,800,000) | \$ (800,000) | \$ (700,000) | \$ — | \$ — |
| Net Excluded Debt Service | | | | | \$13,947,991 | \$15,180,302 | \$16,747,272 | \$16,980,772 | \$15,886,248 |

- 1. Lexington Police Station Construction - \$32,800,000 (Exempt Debt):** The existing police station opened in 1956 and lacks many basic amenities of a modern police facility. The building does not have an elevator or a sally port for prisoner access to the cell block. It also lacks a fire sprinkler system. The indoor firing range, locker rooms, garage and office spaces are inadequate. Bathrooms on the basement and second floor levels are not ADA compliant. The heating and cooling systems are inefficient and the building is served by two separate electrical systems which cause problems during outages.

In FY2017, the Town appropriated \$65,000 for a feasibility study to consider locations for constructing a new Police Station. In FY2019, the Town funded the design and engineering of a new Police Station at its current location, 1575 Massachusetts Avenue. The funding request for the demolition and reconstruction of the Police Station, and temporary relocation space, was originally planned for the 2021 Annual Town Meeting, but was postponed to allow the community to engage in conversations regarding race, social justice and the future of policing. After public engagement and reaffirming the conceptual design, final design funds were appropriated at the Fall 2021 Special Town Meeting. The request for construction funding, currently estimated at \$32,800,000, will come to the 2022 Annual Town Meeting, with a debt exclusion vote to follow in June 2022.

FY2023 RECOMMENDED PROJECTS - Community Preservation Act Debt (Table VI)

| TABLE VI: FY2023 RECOMMENDED PROJECTS - COMMUNITY PRESERVATION ACT DEBT | | | | | | | | | | |
|--|---|-----------------|------|---------------|---------------------|---------------------|---------------------|-------------------|---------------|---------------|
| | Project | Amount Financed | Term | Interest Rate | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| 1 | None Proposed | \$ — | --- | --- | | \$ — | \$ — | \$ — | \$ — | \$ — |
| TOTAL PROJECT COSTS | | \$ — | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| AUTHORIZED CPA REVENUE DEBT SERVICE | | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| A | Subtotal: Approved and Issued Debt | | | | | \$ 1,866,600 | \$ 1,788,900 | \$ 681,200 | \$ — | \$ — |
| B | Subtotal: Approved and Unissued Debt | | | | | \$ 69,035 | \$ — | \$ — | \$ — | \$ — |
| C | Total: Approved Debt Service | | | | | \$ 1,935,635 | \$ 1,788,900 | \$ 681,200 | \$ — | \$ — |
| D | Subtotal: Projected Debt Service on Proposed Capital Projects | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| E | TOTAL PROJECTED DEBT SERVICE | | | | \$ 2,989,550 | \$ 1,935,635 | \$ 1,788,900 | \$ 681,200 | \$ — | \$ — |

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - Compost Revolving Fund (Table VII)

| TABLE VII: FY2023 RECOMMENDED PROJECTS - Compost Revolving Fund | | | | | | | | | | |
|--|---|-----------------|------|---------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Project | Amount Financed | Term | Interest Rate | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| 1 | None Proposed | \$ — | --- | --- | | \$ — | \$ — | \$ — | \$ — | \$ — |
| TOTAL PROJECT COSTS | | \$ — | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| AUTHORIZED REVENUE SUPPORTED DEBT SERVICE | | | | | FY2022 | FY2023 | FY2024 | FY2025 | FY2026 | FY2027 |
| A | Subtotal: Approved and Issued Debt | | | | | \$ 227,475 | \$ 189,436 | \$ 181,966 | \$ 174,496 | \$ 102,200 |
| B | Subtotal: Approved and Unissued Debt | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| C | Total: Approved Revenue Supported Debt Service | | | | | \$ 227,475 | \$ 189,436 | \$ 181,966 | \$ 174,496 | \$ 102,200 |
| D | Subtotal: Projected Debt Service on Proposed Capital Projects | | | | | \$ — | \$ — | \$ — | \$ — | \$ — |
| E | TOTAL PROJECTED DEBT SERVICE | | | | \$ 163,001 | \$ 227,475 | \$ 189,436 | \$ 181,966 | \$ 174,496 | \$ 102,200 |

No recommendations for debt financing.

FY2023 RECOMMENDED PROJECTS - CASH CAPITAL (Table VIII)

| TABLE VIII: FY2023 RECOMMENDED FUNDING FROM REVENUES (Cash by Source) | | | | | | | | | | |
|---|---|-------------|---|-------------------------------|----------------------------------|--------------|------------------|--------------|--------------|-----------|
| Project | Free Cash | Tax Levy | Water/ Sewer Retained Earnings | Recr. Retained Earnings | Enterprise Operating Funds | CPA* | Other Funds** | Total Cost | Other *** | |
| SCHOOL PROJECTS | | | | | | | | | | |
| 1 | LPS Technology Program | \$1,343,006 | | | | | \$ — | \$ 1,343,006 | \$ — | |
| | SUBTOTAL | \$1,343,006 | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 1,343,006 | \$ — | |
| FACILITIES | | | | | | | | | | |
| 2 | Public Facilities Bid Documents | \$ 100,000 | | | | | \$ — | \$ 100,000 | | |
| 3 | Building Flooring | \$ 150,000 | | | | | \$ — | \$ 150,000 | | |
| 4 | School Paving and Sidewalks | \$ 145,000 | | | | | \$ — | \$ 145,000 | | |
| 5 | Mechanical/Electrical Systems Replacements | \$ 787,000 | | | | | \$ — | \$ 787,000 | | |
| 6 | Municipal Building Envelopes and Associated Systems | | \$ 219,540 | | | | \$ — | \$ 219,540 | | |
| 7 | Townwide Roofing | \$ 428,000 | | | | | \$ — | \$ 428,000 | | |
| 8 | School Building Envelopes and Associated Systems | \$ 251,400 | | | | | \$ — | \$ 251,400 | | |
| 9 | Playground Enhancements - Pour-in-Place Surfaces | | | | | \$ 1,459,591 | \$ — | \$ 1,459,591 | | |
| 10 | Center Recreation Complex Bathrooms & Maintenance Building Renovation | | | | | \$ 915,000 | \$ — | \$ 915,000 | | |
| 11 | Town Pool Water Heater Replacement | \$ 31,000 | | | | | \$ — | \$ 31,000 | | |
| | SUBTOTAL | \$1,892,400 | \$ 219,540 | \$ — | \$ — | \$ — | \$ 2,374,591 | \$ — | \$ 4,486,531 | \$ — |
| MUNICIPAL PROJECTS | | | | | | | | | | |
| 12 | West Farm Meadow Preservation | | | | | \$ 28,175 | \$ — | \$ 28,175 | | |
| 13 | Wright Farm Barn Stabilization and Preservation | | | | | \$ 155,000 | \$ — | \$ 155,000 | | |
| 14 | Hartwell District Signage | | | | | | \$ 65,000 | \$ 65,000 | | |
| 15 | Townwide Pedestrian & Bicycle Plan | | | | | | \$ 65,000 | \$ 65,000 | | |
| 16 | South Lexington and Forbes-Marrett Traffic Mitigation Plans | | | | | | \$175,000 | \$ 175,000 | | |
| 17 | Transportation Mitigation | | | | | | \$ 6,824 | \$ 6,824 | | |
| 18 | Replace Pumper Truck | \$ 650,000 | | | | | \$ — | \$ 650,000 | | |
| 19 | Pine Meadows Improvements | | | \$ 95,000 | | | \$ — | \$ 95,000 | | |
| 20 | Park and Playground Improvements | | | | | \$ 200,000 | \$ — | \$ 200,000 | | |
| 21 | Park Improvements - Athletic Fields | | | | | \$ 250,000 | \$ — | \$ 250,000 | | |
| 22 | Park Improvements - Hard Court Surfaces | | | | | \$ 2,500,000 | \$ — | \$ 2,500,000 | | |
| 23 | Community Park Master Plan - Lincoln Park | | | | | \$ 100,000 | \$ — | \$ 100,000 | | |
| 24 | Townwide Culvert Replacement | \$ 390,000 | | | | | \$ — | \$ 390,000 | | |
| 25 | Equipment Replacement | \$1,246,000 | | \$ 290,000 | | | \$ — | \$ 1,536,000 | | |
| 26 | Sidewalk Improvements | \$ 563,077 | | | | | \$236,923 | \$ 800,000 | | |
| 27 | Townwide Signalization Improvements | \$ 125,000 | | | | | \$ — | \$ 125,000 | | |
| 28 | Storm Drainage Improvements and NPDES Compliance | \$ 570,000 | | | | | \$ — | \$ 570,000 | | |
| 29 | Comprehensive Watershed Stormwater Management | \$ 390,000 | | | | | \$ — | \$ 390,000 | | |
| 30 | Street Improvements**** | | \$2,669,767 | | | | \$ — | \$ 2,669,767 | \$982,231 | |
| 31 | Pump Station Upgrades | | | \$ 500,000 | | | \$ — | \$ 500,000 | | |
| 32 | Sanitary Sewer System Investigation and Improvements | | | \$ 720,000 | \$ 300,000 | | \$ — | \$ 1,020,000 | | |
| 33 | Water Distribution System Improvements | | | \$1,600,000 | \$ 600,000 | | \$ — | \$ 2,200,000 | | |
| 34 | Hydrant Replacement Program | \$ 75,000 | | \$ 75,000 | | | \$ — | \$ 150,000 | | |
| 35 | Battle Green Streetscape Improvements | \$1,360,000 | | | | | \$ — | \$ 1,360,000 | | |
| 36 | Municipal Parking Lot Improvements | \$ 60,000 | | | | | \$ — | \$ 60,000 | | |
| 37 | Public Parking Lot Improvement Program | \$ 100,000 | | | | | \$ — | \$ 100,000 | | |
| 38 | New Sidewalk Installations | \$ 75,000 | | | | | \$ — | \$ 75,000 | | |
| 39 | Application Implementation | \$ 158,500 | | | | | \$ — | \$ 158,500 | | |
| 40 | Network Redundancy & Improvement Plan | \$ 945,000 | | | | | \$ — | \$ 945,000 | | |
| 41 | Scanning - Electronic Document Management | \$ 110,000 | | | | | \$ — | \$ 110,000 | | |
| 42 | Archives & Records Management | | | | | \$ 20,000 | \$ — | \$ 20,000 | | |
| | SUBTOTAL | \$6,817,577 | \$2,669,767 | \$3,185,000 | \$ 95,000 | \$ 900,000 | \$ 3,253,175 | \$548,747 | \$17,469,266 | \$982,231 |

OTHER CPA FUNDED PROJECTS

| | | | | | | | | | | | |
|----------|---|--------------|-------------|-------------|-----------|------------|--------------|--------------|--------------|--------------|------|
| 43 | Vynebrooke Village ModPHASE Modernization Project | | | | | | | \$ 160,790 | | \$ 160,790 | |
| 44 | 116 Vine Street Affordable Housing Construction | | | | | | | \$ 5,300,000 | | \$ 5,300,000 | |
| 45 | Affordable Housing Unit Renewal | | | | | | | \$ 234,000 | | \$ 234,000 | |
| SUBTOTAL | | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ 5,694,790 | \$ — | \$ 5,694,790 | \$ — |
| TOTAL | | \$10,052,983 | \$2,889,307 | \$3,185,000 | \$ 95,000 | \$ 900,000 | \$11,322,556 | \$548,747 | \$28,993,593 | \$982,231 | |

* CPA totals do not include proposed FY2023 administrative budget of \$150,000 and \$1,935,635 for debt service.
 **Other Funds include the Parking Fund, TDM Stabilization Fund, Transportation Network Company (TNC) Special Revenue Fund, and Prior Bond Authorizations.
 *** Other includes \$982,231 in Chapter 90 Aid for street improvements.
 **** Proposed funding for the annual street resurfacing program is comprised of \$2,669,767 of tax levy dollars and an anticipated distribution of \$982,231 of Chapter 90 funds. This level of funding is intended to maintain the Town's roadway surface rating (RSR) in the mid-80s.

School Department Projects

- LPS Technology Program - \$1,343,006 (Free Cash):** This request addresses the District’s strategic goal for enhancing the capacity to utilize technology as an instructional and administrative tool. The request will continue to support student access to devices to allow for innovative learning methods that integrate supportive technologies, problem-based approaches and higher order thinking skills. It also maintains and improves, when needed, current infrastructure such as networks, access points and servers.

The capital improvement request for FY2023 would provide funding for the following:

Tech Workstations - \$173,400 to replace Unit A (all classroom teachers, counselors, librarians and staff working under the teacher contract; Unit A) workstations and peripheral devices (laptops, desktops, printers and monitors). Staff workstations were primarily replaced from FY2020 funds, thus minimal replacements are budgeted for this cycle. (150 laptops @ \$1,075 each, 5 laptops/workstations @ \$1,000 each, 10 printers @ \$440 each, and 10 monitors @ \$275 each)

PreK-5 Mobile Devices - \$105,300 to replace 260 Grade 1 iPads across all district Grade 1 classes due to current devices having reached their end of life. (260 iPads @ \$405 each)

1:1 Middle School Program - \$212,610 to purchase 570 Chromebooks for 6th graders entering Diamond and Clark Middle Schools. All middle school students have 1:1 devices and the devices follow them through middle school (three-year life span). Generally, by the end of middle school, many devices have reached their end of life due to use. (570 Chromebooks @ \$373 each)

1:1 at Lexington High School - \$180,480 to purchase 640 Chromebooks for 9th graders. All high school students, once provided a device in 9th grade or upon entering the high school, have the device through their senior year (four-year life span). (640 Chromebooks @ \$282 each)

Science/Technology/Engineering/(Art)/Math (STEM/STEAM)/Computer Science - \$80,800 to update district computer labs at either the Middle School/High School level and purchase STEM/STEAM based curricular materials. (two labs @ \$37,400 each, \$6,000 for STEM/STEAM Materials)

Interactive Projectors/Whiteboard Units and Document Cameras - \$240,416 to replace 48 interactive projectors districtwide. This equips buildings with a touch-activated interactive system with a new ceramic whiteboard and soundbar. The replacements will begin with the oldest model per school until all systems are within a 5-year window with all of the same functionality. The request will also replace 28 document cameras at middle schools, with remaining schools planned in future years. As part of new school construction, some schools have newer document cameras and other schools have had document cameras replaced prior to this year. (48 projectors @ \$4,640 each, 28 document cameras @ \$632 each)

District and Building Network Infrastructure - \$330,000 to replace switches at the high school that control internet and internal connections (\$40,000), replace switches districtwide that support internal connections in schools (\$90,000), and replace the electronic devices that support the schools' virtual networks (\$200,000).

Server/Storage Infrastructure - \$20,000 to maintain and upgrade any server-related hardware.

Department of Public Facilities Projects

2. **Public Facilities Bid Documents - \$100,000 (Free Cash):** This is an annual request for funding professional services to produce design development, construction documents and/or bid administration services for smaller projects in anticipation of requests for construction funding at town meeting that have a high probability of approval. This will ensure that both municipal and school projects can be completed in the then-current construction season, which is particularly important for the timely completion of school building projects given the short window between the end of school in June and the end of summer.
3. **Building Flooring - \$150,000 (Free Cash):** Initiated in FY2011, this is an annual request for funds to be used for the replacement of flooring systems in municipal and school buildings. The goal of this annual program is to ensure failing floor surfaces are replaced and are safe for all users. The FY2023 request will begin a systematic replacement of classroom flooring from Vinyl Composite Tile to Linoleum Vinyl Tile at Bowman, Bridge, Clarke, Fiske and Harrington schools. In FY2022, second floor hallway floors at Fiske Elementary School were replaced, as were floors in four classrooms at the high school, the field house basketball court and the Town Office Building.
4. **School Paving and Sidewalks - \$145,000 (Free Cash):** This capital request provides 'as needed' replacement of sidewalks, bus loops and parking areas on school grounds. Extraordinary repairs for school paving areas are necessary to maintain parking and pedestrian surfaces in a condition suitable for public safety and highlights the Safe Routes to School. The FY2023 request will specifically fund sidewalk panel replacements and parking and roadway improvements at Clarke Middle School which are currently in poor condition.
5. **Mechanical/Electrical Systems Replacements - \$787,000 (Free Cash):** This request is part of an annual replacement of HVAC and electrical systems that have exceeded their useful lives and require replacement before excessive failures occur. This appropriation will address items identified in the 20-year Master Plan.
6. **Municipal Building Envelopes and Associated Systems - \$219,540 (Tax Levy):** This ongoing capital request, originally approved for funding in the 2006 Proposition 2½ Override, includes repair and replacement projects for the maintenance and upgrade of municipal buildings and systems. The FY2023 request seeks funding to begin a window replacement project at the Lexington Community Center. Windows in the mansion section of the building are single pane, difficult to open and have significant air leaks, and this funding will replace them with a safer and more energy efficient option.
7. **Townwide Roofing - \$428,000 (Free Cash):** A priority for this FY2023 request is to replace a significant portion of the Central Administration Building's asphalt shingle roof which is necessary to prevent water infiltration.

8. **School Building Envelopes and Associated Systems - \$251,400 (Free Cash):** The purpose of this ongoing capital request is to perform annual prioritized extraordinary repairs and modifications to school buildings and systems. Specifically, the FY2023 request will be used to address water and air infiltration issues at the Central Administration Building by repairing or replacing gaskets, caulking, doors and windows.
9. **Playground Enhancements - Pour-in-Place Surfaces - \$1,459,591 (CPA):** Older playgrounds use bark mulch as their safety surfacing, which is not stable and is regularly washed out or kicked out by students using the play equipment. When this occurs, the 12-inch impact absorbent surfacing requirement is no longer being met, which could result in serious injuries if or when a student falls. Pour In Place (PIP) safety surfacing is a rubber/urethane product being used in all new playground installations. Benefits include better drainage, consistent safety surface, and faster snow melt, enabling use of the playground during colder months. Replacement of the playground surfaces at the Bowman, Bridge and Estabrook elementary schools is proposed during the summer of 2022, as well as a completely new playground at the Fiske elementary school.
10. **Center Recreation Complex Bathrooms & Maintenance Building Renovation - \$915,000 (CPA):** This request is for construction costs associated with renovation of the bathrooms and maintenance building at the Center Recreation Complex. The project will renovate the bathrooms, repair the plumbing system, and install new fixtures. In addition, the storage area currently used by DPW staff to maintain the athletic fields in the area, will be renovated to better support those efforts.
11. **Town Pool Water Heater Replacement - \$31,000 (Free Cash):** This request will fund the design and engineering, including needed electrical upgrades, to replace the oil-fired hot water heater at the town pool complex with an electric model. The water heater provides hot water to the 11 sinks and 18 showers at the complex, located in both locker rooms, the family bathroom/locker room and the outdoor showers on the pool deck. The existing oil-fired hot water heater was installed in 2013 and is approaching end of life.

Municipal Projects

12. **West Farm Meadow Preservation - \$28,175 (CPA):** This request is to preserve approximately 10 acres of meadow at West Farm to improve passive recreation opportunities, enhance wildlife and plant habitat, and create a renewed connection to Lexington's history through the recovery of stone walls and scenic vistas.
13. **Wright Farm Barn Stabilization and Preservation - \$155,000 (CPA):** This is a first phase request to stabilize the shell of the Barn structure at Wright Farm to prevent weather and water damage by fixing or replacing the windows, gutters, down spouts, and roof shingles. In addition, ponding water in the lowest level below grade needs to be addressed.
14. **Hartwell District Signage - \$65,000 (Transportation Management Overlay District (TMOD) Stabilization Fund):** This is a request to add new signage on Hartwell Avenue and the jughandle on Bedford street to address safety issues as well as to support economic vitality by drawing attention to the commercial corridor - Hartwell Innovation Park.

15. **Townwide Pedestrian & Bicycle Plan - \$65,000 (Traffic Mitigation Stabilization Fund):** This request is to develop a Townwide Pedestrian and Bicycle Plan, which will compile existing conditions data, identify and prioritize future improvements to the streets, sidewalks, shared use paths to more safely accommodate pedestrians, rollers and bicyclists and provide meaningful connections to the region's active transportation network. The plan will provide a framework for the Transportation Safety Group (TSG) to address safety requests, prioritize sidewalk requests and inform capital plan budget decisions. The Plan will update the sidewalk prioritization plan and sidewalk request process to address locations with the most need and those that will create the most community benefit.
16. **South Lexington and Forbes-Marrett Traffic Mitigation Plans - \$175,000 (Traffic Mitigation Stabilization Fund):** This request is to develop two Traffic Mitigation Plans: one for the South Lexington Transportation Management Overlay District (TMOD) and the second for Forbes-Marrett TMOD. The South Lexington TMOD encompasses the intersection of Spring Street and Hayden Avenue and most of Hayden Avenue. The Forbes-Marrett TMOD encompasses the Marrett Road and Forbes Street intersection. Traffic Mitigation Plans are a critical part of justifying mitigation payments from private development in the area and are required for proper implementation of the TMODs. In addition, the Plans outline projects and strategies to use mitigation funds to reduce single occupancy vehicle trips, increase safety and reduce traffic congestion.
17. **Transportation Mitigation - \$6,823.50 (Transportation Network Company (TNC) Special Revenue Fund):** This annual capital request is to support the ongoing work of the Transportation Safety Group (TSG). The TSG is staffed by the Planning, Engineering, School and Police Departments. Between FY2008 and FY2011, Town Meeting appropriated funds to collect data, perform analysis, review citizen requests and recommendations for various townwide transportation improvements in support of the Traffic Mitigation Group (dissolved in 2012 and later reconstituted as the TSG). Anticipated projects for the FY2023 funds include study and creation of school zones; on-call engineering services to quickly address safety requests and address road design to reduce speeds where needed; and to apply to MassDOT to reduce certain regulatory speed limits.
18. **Replace Pumper Truck - \$650,000 (Free Cash):** This request will replace the fire department's 2004 pumper truck that is currently being used as a mechanical reserve. In general, fire equipment has an anticipated useful life of 20 years. Lexington typically uses a truck in the frontline for 10 years, followed by 10 years as a mechanical reserve. The 2004 pumper saw extensive frontline use when a previous pump had mechanical issues, which caused additional wear and tear to this piece.
19. **Pine Meadows Improvements - \$95,000 (Recreation Retained Earnings):** This request will fund installation of new fairway bunkers on the 2nd and 7th holes as well as a greenside bunker at the 8th hole, reconstruction of the bunker on the 9th green, expansion of the tee at the 9th hole, reconstruction of the middle tee on the 8th hole, and completion of the design and engineering work associated with the cart path restoration and renovation on the 5th hole.
20. **Park and Playground Improvements - \$200,000 (CPA):** This request will update and replace playground equipment, safety surfacing and various other amenities at Kinneens Park. The existing playground equipment was last replaced in 2004. The proposed improvements will result in the park being in compliance with the Consumer Product Safety Commission (CPSC), the American Society for Testing and Materials (ASTM) and the American with Disabilities Act (ADA).

21. **Park Improvements - Athletic Fields - \$250,000 (CPA):** This ongoing multi-year capital program is to address safety and playability concerns as well as provide adequate and safe field conditions. This program funds improvements to athletic fields, including renovations to natural turf, drainage, new irrigation systems, and site amenities including benches and backstops. The FY2023 funds will be used for such improvements to the Fiske School Fields. Based on recommendations from a 2017 ADA Compliance Study, additional walkways will be installed to provide accessibility to the various ball field team areas as well as to the share outfields. If approved, renovations will begin in the Fall of 2022.
22. **Park Improvements - Hard Court Surfaces - \$2,500,000 (CPA):** This request will renovate the Farias Basketball Courts and Gallagher Tennis Courts. The project will include the construction of post tension court surfaces for basketball and tennis/pickleball. In addition to new courts, the project will provide new fencing, athletic equipment, storage shed, shelter, site amenities, tennis practice backboards, and signage. Due to the extensive use that they receive, a complete reconstruction of the courts and installation of new practice boards will be needed.
23. **Community Park Master Plan - Lincoln Park - \$100,000 (CPA):** This request is to complete a master plan for Lincoln Park to provide a strategic road map for implementing improvements, enhancements, and upgrades at Lincoln Park in upcoming years. Significant investments are planned in the coming 5 years, including field replacements and upgrades to the playground and fitness stations. The master plan will incorporate feedback from the Lincoln Park-Sub Committee, Recreation Committee, Conservation Commission, and community stakeholders, and result in a coordinated, holistic approach when implementing planned capital improvement projects at Lincoln Park.
24. **Townwide Culvert Replacement - \$390,000 (Free Cash):** This request is part of an ongoing program to proactively replace culverts prior to catastrophic failure, which will allow for proper design considerations and funding while also minimizing the impact to residents through unexpected road closures and flooding. A comprehensive Culvert Asset Management Plan guides the work to replace culverts in town, which is a companion effort with the ongoing Watershed Management Plan. Final design has been completed for culverts at Constitution Road and the Valleyfield area. Construction is underway for phase 1 of Constitution Road; Valleyfield/Waltham Street will be bid soon.
25. **Equipment Replacement - \$1,536,000 (\$1,246,000 Free Cash, \$145,000 Water Retained Earnings, \$145,000 Sewer Retained Earnings):** This is an annual request to replace equipment that is beyond its useful life and whose mechanical condition no longer meets the requirements of the Department of Public Works (DPW). The DPW has an inventory of 146 pieces of equipment including sedans, hybrid SUVs, construction vehicles and specialized equipment used to mow parks, plow snow, repair streets and complete a variety of other projects. Without regular equipment replacement, the efficiency and cost effectiveness of the DPW's operations would be handicapped due to equipment down time and excessive repair costs.

Each piece of equipment is inventoried with original and current replacement cost, state of condition and replacement time interval. Replacement intervals vary from 5 to 20 years and are based on manufacturer recommendations and use (type and duration).

The selection of vehicles to be replaced begins with the proposed replacement date. Then each vehicle is assessed as to its mechanical condition and work requirements. The systematic replacement program defines what equipment is expected to need replacement during the next five years with the intent of preventing any unexpected emergency purchases. Annual updates are

conducted by the Equipment Maintenance Division, Division Superintendents and reviewed by the Manager of Operations and Director of Public Works.

The FY2023 request, by funding source, is shown in the table below.

| Equipment | Free Cash | Sewer RE | Water RE | Total |
|-----------------------------------|---------------------|------------------|------------------|---------------------|
| 6 Wheel Dump with Snow Plow | \$ 50,000 | \$ 87,500 | \$ 87,500 | \$ 225,000 |
| Utility Service Truck | | \$ 57,500 | \$ 57,500 | \$ 115,000 |
| Drain Flushing & Vacuum Truck | \$ 500,000 | | | \$ 500,000 |
| Boom Flail Mower | \$ 45,000 | | | \$ 45,000 |
| Autonomous Paint Striping Machine | \$ 52,000 | | | \$ 52,000 |
| Wheeled Excavator | \$ 230,000 | | | \$ 230,000 |
| Loader Mounted Snow Blower | \$ 170,000 | | | \$ 170,000 |
| Sign Machine | \$ 63,000 | | | \$ 63,000 |
| Toro Workman | \$ 40,000 | | | \$ 40,000 |
| Small Front End Loader | \$ 96,000 | | | \$ 96,000 |
| Total | \$ 1,246,000 | \$145,000 | \$145,000 | \$ 1,536,000 |

26. **Sidewalk Improvements - \$800,000 (\$563,077 Free Cash & \$236,923 Prior Bond Authorizations):** This request seeks funds to rebuild and/or repair existing sidewalks that are in poor condition. DPW (in conjunction with various committees and town departments) generates a list each year of sidewalks most in need of repair/replacement, based on four determining factors:
- 1) Is the sidewalk unsafe for travel due to trip hazards, defects, etc.
 - 2) Is the sidewalk within the Safe Routes to School Program
 - 3) Is the volume of pedestrian traffic heavy, light or average
 - 4) Is the general condition of the sidewalk poor, fair or good which dictates treatments such as full reconstruction, overlay or patching

DPW currently reviews the condition for 30% of town sidewalks annually, which is used to identify the work to be done. Sidewalks considered for FY2023 funding include:

- Lowell St. from Woburn St. to Fulton Rd. (East side)
- Heritage Dr.
- Partridge Rd.
- Gould Rd. from Dewey to Turning Mill Rd.
- South Rindge Ave.
- Bow St.
- Waltham St. from Park Dr. to Worthen Rd. (West side)
- Village Circle
- Sanderson Rd.
- Bryant Rd.
- Orchard Lane
- Demar Rd. from Turning Mill to #26
- Dewey Rd. from Grove St. to Gould Rd.
- Royal Circle
- Reconstruction of Ramps, Townwide

The following table presents the recent history of Sidewalk appropriations:

| FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ 600,000 | \$ 600,000 | \$ 800,000 | \$ 800,000 | \$ 800,000 | \$ 800,000 | \$ 800,000 |

27. **Townwide Signalization Improvements - \$125,000 (Free Cash):** This is an annual request for funds to update traffic and pedestrian signals in Lexington. A signal inventory and compliance study has been completed, which includes ADA compliance, condition assessment, signal timing, delays and prioritization recommendations. Most work has been completed at the intersection of Massachusetts Avenue and Worthen Road; once pole relocations are complete the final course of asphalt will be placed and final pavement markings painted to complete the project. The FY2023 request is anticipated to address the Lowell Street intersections with North Street and East Street.
28. **Storm Drainage Improvements and NPDES Compliance - \$570,000 (Free Cash):** This is an annual request to replace and supplement existing drainage structures, issues typically uncovered during roadway related construction activity. Funds will also be used for continued compliance with the Environmental Protection Agency (EPA) Phase II regulations which help improve the water quality of Lexington's streams and ponds. Approximately \$300,000 of this funding request is for compliance with the construction-related portions of the National Pollutant Discharge and Elimination System (NPDES) minimum control measures as mandated by the EPA in the stormwater general permit. The permit also requires the Town to comply with requirements for illicit discharge detection and elimination (IDDE), best management practices (BMP), installation, and retrofits. The remaining \$270,000 will be used to repair/replace drainage structures encountered during road construction, repair other drainage areas of concern in the Town and improve stormwater issues discovered during NPDES investigation work. Current drainage improvements are being performed throughout the Oakland Street neighborhood. The IDDE program has continued with two summer interns and work is underway on the design of numerous BMPs, as well as drainage improvements in other areas of town. The preemptive repair of existing drainage structures will reduce damage to structures themselves, existing pavement, and private and public property.
29. **Comprehensive Watershed Stormwater Management - \$390,000 (Free Cash):** DPW, Engineering and Conservation collaborate on this annual capital request which addresses drainage/brook management issues. The request funds the continuing design and implementation of watershed plans and the construction of priorities established in those plans. Staff has reviewed three watershed plans already completed (Charles River, Shawsheen River and Mystic River) and developed a prioritization schedule with built-in flexibility pending unforeseen changes. Requested funding will be used to move forward with those prioritized areas. Oxbow/Constitution phase 1 is currently under construction, and the first phase of Valleyfield/Waltham Street will be bid soon. Long-term benefits of the program include prevention of property damage, reduction in liability and overall improvement to the health of Lexington's waterways.
30. **Street Improvements - \$3,651,998 (\$2,669,767 Tax Levy, \$982,231 Chapter 90 funding):** This is an annual request for the street resurfacing and maintenance program. In addition to the \$2,669,767 appropriated from the tax levy, \$982,231 of Chapter 90 funds will be utilized. (Chapter 90 funding is based on Lexington's most recent allocation and on the current state allocation of \$200 million statewide.) Funds will be used for design, inspections, planning, repair, patching, crack sealing and construction of roadways and roadway related infrastructure including repair and installation of sidewalks. A preliminary list of the streets to be repaired under this article is currently being developed. A pavement management system is utilized to assist in analyzing the road network and selecting roadways for repairs. This funding will allow for the proper improvements and repair of Lexington's streets and sidewalks, increasing their quality and safety.

Street Improvements - Financing Components

| | FY2023 |
|---|---------------------------------|
| 2001 Override Increased by 2.5% per year | \$ 741,812 |
| Maintenance of unallocated revenue from FY2012 Revenue Allocation Model | \$ 281,234 |
| Maintenance of unallocated revenue from FY2013 Revenue Allocation Model | \$ 164,850 |
| FY2014 Health Insurance Savings | \$ 1,100,000 |
| Additional Tax Levy Funding | \$ 381,871 |
| Estimated Chapter 90 Aid | \$ 982,231 |
| | Total \$ 3,651,998 |
| | Without Chapter 90 \$ 2,669,767 |

31. **Pump Station Upgrades - \$2,000,000 (\$1,500,000 Wastewater Debt, \$500,000 Wastewater Retained Earnings):** See detailed description under Table III: Wastewater Fund Debt.
32. **Sanitary Sewer System Investigation and Improvements - \$1,020,000 (\$720,000 Wastewater Retained Earnings, \$300,000 Wastewater User Charges):** This is an annual program that provides for rehabilitation of sanitary sewer infrastructure. Work will include replacement or repair of deteriorated sewers, force mains and manholes in order to improve flow and reduce inflow and infiltration into the system. Engineering investigation and evaluation will continue on sewers throughout town, including those in remote, hard to access areas. These capital investments improve the operation of the sewer system, reduce backups and potential overflows, prevent system malfunctions and reduce the measured flows through the MWRA meter.

Beginning in FY2021, the funding source for this ongoing capital replacement program has been gradually shifting to Wastewater user charges, with the ultimate goal of transitioning the entire program to cash funding over 10 years.

33. **Water Distribution System Improvements - \$2,200,000 (\$1,600,000 Water Retained Earnings, \$600,000 Water User Charges):** This is an annual program that replaces unlined, inadequate, aged and vulnerable water mains, deteriorated service connections and eliminates dead ends in the water mains. Water mains were recently replaced on Vaille Avenue, significant portions of Hartwell Avenue, Peacock Farm Road, Eldred Street and White Pine Lane. Additionally, a sustaining valve was installed on Grove Street to ensure that proper pressures are maintained. Water main replacements are anticipated in the Parker Road neighborhood, and on Vine Street, Hayden Avenue, Marshall Road, and Lowell Street from Maple Street to and including Summer Street. A booster pump is planned for the low-pressure area along Fairfield Street.

The Town has also completed a hydraulic model for the entire distribution network and an asset management plan for replacing the Town's aging water infrastructure that will ensure a proactive approach for keeping Lexington's water both safe and reliable. The model identifies areas of vulnerability, water main aging, and those areas with low volumes and pressures. The asset management plan recommends the replacing 1% of our water mains on an annual basis.

Beginning in FY2021, the funding source for this ongoing capital replacement program has been gradually shifting to Water user charges, with the ultimate goal of transitioning the entire program to cash funding over 11 years. While rate payers may pay slightly higher water rates in the short-term, significant debt service savings will be realized, resulting in lower overall costs in the long-term.

34. **Hydrant Replacement Program - \$150,000 (\$75,000 Free Cash & \$75,000 Water Retained Earnings):** This is an ongoing replacement program designed to maintain the integrity of the fire protection system throughout town. Faulty hydrants need to be replaced to meet safety requirements. A list of hydrants needing replacement is generated each year during the annual inspection and flushing of hydrants by the Water and Fire Departments. Based on discussions between the two departments, the target goal is to replace approximately 60 hydrants per year at a cost of \$2,500 per hydrant. The Town of Lexington has 1,747 fire hydrants in its fire protection system; a total of 57 hydrants were replaced in FY2021, and 12 were repaired.
35. **Battle Green Streetscape Improvements - \$4,975,000 (\$3,615,000 General Fund Debt; \$1,360,000 Free Cash):** See detailed description under Table I: General Fund Debt.
36. **Municipal Parking Lot Improvements - \$60,000 (Free Cash):** This request is for the survey and design of the parking lot that extends from Fletcher Avenue on the most easterly side to the limits of the Town Office Building parcel on the most westerly side. Funds for construction/reconstruction will be requested in FY2024. The project includes reconstruction of the existing asphalt parking areas as well as new construction and reconfiguration of parking in the area nearest the Hosmer House and Police Station. This will provide for improved flow through the parking area as well as the potential for additional parking spaces pending the impacts of the Police Station design and Hosmer house move. The design and construction of the parking lot will be coordinated with the Police Station reconstruction since that project will significantly impact the existing parking lot.
37. **Public Parking Lot Improvement Program - \$100,000 (Free Cash):** This request is for the redesign of the public parking lots located in downtown Lexington, including the Depot lot, the lot between Edison Way and the Depot (behind CVS pharmacy), and the lot between Waltham Street and Muzzey Street (behind Michelson's Shoes). These lots are currently in fair to poor condition with inefficient circulation and parking layouts. This redesign work will include surveys and a conceptual plan development design, with the anticipated results of improved efficiency, circulation and aesthetics. More detail is needed in order to get solid estimates on the cost of construction.
38. **New Sidewalk Installations - \$75,000 (Free Cash):** This request is to fund the survey and design work for a new sidewalk along Cedar Street. This design work and public outreach will inform a future request for construction funding.
39. **Application Implementation - \$158,500 (Free Cash):** This capital program is for large application migrations and implementations. The FY2023 request covers a number of initiatives - 1) the purchase and installation of a cemetery management system to facilitate cemetery operations; 2) the purchase, installation and configuration of a scheduling and time tracking system(s) for the police and fire departments; and 3) the purchase and installation of permitting and inspections software for the Board of Health.
40. **Network Redundancy & Improvement Plan - \$945,000 (Free Cash):** This request is to build a standalone fiber network for town computing and communications in an effort to achieve redundancy and vendor-independent capability. This will protect communication (both data and voice) between sites that are assessed as critical to the daily function and safety of the Town and support greater use of paperless processes. Design for the network has been completed, and if approved, installation would begin in Summer 2022.

41. **Scanning - Electronic Document Management - \$110,000 (Free Cash):** This request is to scan existing physical documentation into the Town's document management systems (Laserfiche and Tyler Content Manager). This effort will support continued efforts to migrate to paperless workflows. Once workflows have been established and no additional paper records are being created, historical records are scanned to ensure a complete repository and to allow departments to reclaim the physical space previously occupied by their records.
42. **Archives & Records Management - \$20,000 (CPA):** This is an ongoing request to fund the conservation and preservation of historic municipal documents and records and to make them available on the Town's digital archives. This FY2023 request will include the 1927 blueprints for the Cary Memorial Building; Tax Warrants and Acts of Massachusetts, 1778-1823; and Police Department Journals 1874-1909. Significant progress has been made in preserving Lexington's historic documents but there remains a continuing need to preserve records from the early 1900s and make them accessible. It is projected that this will be a yearly request for treatment/digitization/microfilming of records. The preservation and conservation of permanent records for archiving creates the basis for documenting Lexington's history for the future.
43. **Vynebrooke Village ModPHASE Modernization Project - \$160,790 (CPA):** This request is for fire and other safety system upgrades to supplement state funding for a large-scale modernization project at Vynebrooke Village, operated by the Lexington Housing Authority. The overall project cost is currently estimated to be \$4,434,550.
44. **116 Vine Street Affordable Housing Construction - \$5,300,000 (CPA):** This request is to construct affordable housing at 116 Vine Street. LexHAB proposes to build six units of affordable housing that are expected to achieve near net zero energy consumption due to the use of solar panels and extensive energy conservation measures in the design of the buildings. The construction funds are the final phase in a three-phase approach that will enable the creation of six units of affordable housing that will promote economic diversity and provide much needed housing within Lexington.
45. **Affordable Housing Unit Renewal - \$234,000 (CPA):** This request is for preservation, rehabilitation and restoration of 18 LexHAB units. Nine of the units were purchased with CPA funds, and rehabilitation and preservation work is anticipated, including kitchen and bath renovations, new appliances, electrical upgrades, installation of a new doors and exterior painting to prevent failure. For the remaining nine LexHAB-operated units not secured with CPA funds, the projects will include re-roofing or roof replacement as well as exterior painting to prevent damage and failure of the structure.

Table IX: Deferred FY2023 and Proposed FY2024-FY2027 Capital Requests

| Ongoing Capital Programs - General Fund | | | | | | | |
|--|---|------------------------|---------------|---------------|---------------|---------------|---------------|
| Dept. | Project Name | Deferred FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | Total |
| <i>Innovation & Technology</i> | | | | | | | |
| | Application Implementation | \$ — | \$ 200,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 500,000 |
| | Network Core Equipment Replacement | \$ — | \$ 80,000 | \$ 190,000 | \$ — | \$ 260,000 | \$ 530,000 |
| | Municipal Technology Improvement Program | \$ — | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 400,000 |
| | Network Redundancy & Improvement Plan | \$ — | \$ 450,000 | \$ 220,000 | \$ 110,000 | \$ — | \$ 780,000 |
| | Phone Systems & Unified Communications | \$ — | \$ — | \$ 90,000 | \$ 80,000 | \$ 60,000 | \$ 230,000 |
| | | \$ — | \$ 830,000 | \$ 700,000 | \$ 390,000 | \$ 520,000 | \$ 2,440,000 |
| <i>Land Use, Health and Development</i> | | | | | | | |
| | Transportation Mitigation | \$ — | \$ 40,000 | \$ 60,000 | \$ 100,000 | \$ 100,000 | \$ 300,000 |
| | | \$ — | \$ 40,000 | \$ 60,000 | \$ 100,000 | \$ 100,000 | \$ 300,000 |
| <i>Public Facilities</i> | | | | | | | |
| | Public Facilities Bid Documents | \$ — | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 400,000 |
| | Building Flooring | \$ — | \$ 156,000 | \$ 162,000 | \$ 169,000 | \$ 176,000 | \$ 663,000 |
| | School Paving and Sidewalks | \$ — | \$ 218,000 | \$ 125,000 | \$ 125,000 | \$ 125,000 | \$ 593,000 |
| | Mechanical/Electrical Systems Replacements | \$ — | \$ 850,000 | \$ 917,000 | \$ 984,000 | \$ 1,053,000 | \$ 3,804,000 |
| | Municipal Building Envelopes and Associated Systems | \$ — | \$ 225,029 | \$ 230,655 | \$ 236,421 | \$ 242,332 | \$ 934,437 |
| | Townwide Roofing | \$ — | \$ 652,000 | \$ 1,269,000 | \$ 244,000 | \$ — | \$ 2,165,000 |
| | School Building Envelopes and Associated Systems | \$ — | \$ 257,684 | \$ 264,127 | \$ 270,600 | \$ 277,365 | \$ 1,069,776 |
| | | \$ — | \$ 2,458,713 | \$ 3,067,782 | \$ 2,129,021 | \$ 1,973,697 | \$ 9,629,213 |
| <i>Public Works</i> | | | | | | | |
| * | Townwide Culvert Replacement | \$ — | \$ 390,000 | \$ 390,000 | \$ 390,000 | \$ 390,000 | \$ 1,560,000 |
| | Equipment Replacement | \$ — | \$ 1,585,000 | \$ 1,575,000 | \$ 1,465,000 | \$ 1,520,000 | \$ 6,145,000 |
| | Sidewalk Improvements | \$ — | \$ 800,000 | \$ 800,000 | \$ 800,000 | \$ 800,000 | \$ 3,200,000 |
| | Townwide Signalization Improvements | \$ — | \$ 50,000 | \$ 55,000 | \$ — | \$ — | \$ 105,000 |
| * | Storm Drainage Improvements and NPDES Compliance | \$ — | \$ 570,000 | \$ 570,000 | \$ 570,000 | \$ 570,000 | \$ 2,280,000 |
| * | Comprehensive Watershed Stormwater Management | \$ — | \$ 390,000 | \$ 390,000 | \$ 390,000 | \$ 390,000 | \$ 1,560,000 |
| | Street Improvements | \$ — | \$ 2,688,312 | \$ 2,707,321 | \$ 2,726,806 | \$ 2,746,777 | \$ 10,869,216 |
| | Hydrant Replacement Program | \$ — | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 300,000 |
| | <i>*Potential future funding from Stormwater Management Fee</i> | \$ — | \$ 6,548,312 | \$ 6,562,321 | \$ 6,416,806 | \$ 6,491,777 | \$ 26,019,216 |
| <i>Schools</i> | | | | | | | |
| | LPS Technology Program | \$ — | \$ 1,391,303 | \$ 1,312,551 | \$ 1,411,961 | \$ 1,389,538 | \$ 5,505,353 |
| | | \$ — | \$ 1,391,303 | \$ 1,312,551 | \$ 1,411,961 | \$ 1,389,538 | \$ 5,505,353 |
| | Total Capital Programs - General Fund | \$ — | \$ 11,268,328 | \$ 11,702,654 | \$ 10,447,788 | \$ 10,475,012 | \$ 43,893,782 |
| Ongoing Capital Programs - Enterprise Funds | | | | | | | |
| Dept. | Project Name | Deferred FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | Total |
| <i>Public Works</i> | | | | | | | |
| | Pump Station Upgrades | \$ — | \$ 75,000 | \$ — | \$ — | \$ — | \$ 75,000 |
| | Sanitary Sewer System Investigation and Improvements | \$ — | \$ 1,040,404 | \$ 1,061,210 | \$ 1,082,431 | \$ 1,104,080 | \$ 4,288,125 |
| | Water Distribution System Improvements | \$ — | \$ 2,244,000 | \$ 2,288,900 | \$ 2,334,670 | \$ 2,381,360 | \$ 9,248,930 |
| | Hydrant Replacement Program | \$ — | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 300,000 |
| | Water Tower(s) replacement | \$ — | \$ — | \$ 2,156,250 | \$ 9,803,750 | \$ — | \$ 11,960,000 |
| | | \$ — | \$ 3,434,404 | \$ 5,581,360 | \$ 13,295,851 | \$ 3,560,440 | \$ 25,872,055 |
| <i>Recreation & Community Programs</i> | | | | | | | |
| | Pine Meadows Improvements | \$ — | \$ — | \$ 250,000 | \$ — | \$ 60,000 | \$ 310,000 |
| | Pine Meadows Equipment | \$ — | \$ 95,000 | \$ — | \$ 75,000 | \$ 30,000 | \$ 200,000 |
| | | \$ — | \$ 95,000 | \$ 250,000 | \$ 75,000 | \$ 90,000 | \$ 510,000 |
| | Total Capital Programs - Enterprise Funds | \$ — | \$ 3,529,404 | \$ 5,831,360 | \$ 13,370,851 | \$ 3,650,440 | \$ 26,382,055 |

Table IX: Deferred FY2023 and Proposed FY2024-FY2027 Capital Requests

| Ongoing and One-time Capital Projects - CPA Fund | | | | | | | |
|---|--|------------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Dept. | Project Name | Deferred FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | Total |
| Land Use, Health and Development | Willard's Woods Site Improvements | \$ — | \$ 597,114 | \$ — | \$ — | \$ — | \$ 597,114 |
| Public Works | Public Grounds Irrigation Improvements | \$ — | \$ 80,000 | \$ — | \$ — | \$ — | \$ 80,000 |
| Recreation & Community Programs | Park and Playground Improvements | \$ — | \$ 150,000 | \$ 800,000 | \$ 835,000 | \$ 250,000 | \$ 2,035,000 |
| | Park Improvements - Athletic Fields | \$ — | \$ 285,000 | \$ 480,000 | \$ — | \$ — | \$ 765,000 |
| | Park Improvements - Site Amenities | \$ — | \$ 30,000 | \$ — | \$ 30,000 | \$ — | \$ 60,000 |
| | Cricket Field Construction | \$ — | \$ — | \$ — | \$ 200,000 | \$ — | \$ 200,000 |
| | Lincoln Park Fitness Stations Equipment | \$ — | \$ — | \$ — | \$ — | \$ 50,000 | \$ 50,000 |
| | Lincoln Park Field Improvements | \$ — | \$ 25,000 | \$ 425,000 | \$ 442,000 | \$ 460,000 | \$ 1,352,000 |
| Town Clerk | Archives & Records Management | \$ — | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 80,000 |
| Total Capital Projects - CPA Funds | | \$ — | \$ 1,187,114 | \$ 1,725,000 | \$ 1,527,000 | \$ 780,000 | \$ 5,219,114 |
| One-Time Capital Projects - General Fund | | | | | | | |
| Dept. | Project Name | Deferred FY2023 | FY2024 | FY2025 | FY2026 | FY2027 | Total |
| Fire | Replace Pumper Truck | \$ — | \$ — | \$ — | \$ 700,000 | \$ — | \$ 700,000 |
| | Ambulance Replacement | \$ — | \$ 335,000 | \$ — | \$ — | \$ 375,000 | \$ 710,000 |
| Public Facilities | LHS Feasibility Study | \$ — | \$ — | \$ — | TBD | \$ — | \$ — |
| | LHS Science Classroom Space Mining | \$ — | \$ 200,000 | \$ — | \$ — | \$ — | \$ 200,000 |
| | Cary Library Children's Room Renovation Project | \$ — | \$ 5,580,000 | \$ — | \$ — | \$ — | \$ 5,580,000 |
| Public Works | Hartwell Ave. Compost Site Improvements | \$ — | \$ — | \$ 200,000 | \$ — | \$ — | \$ 200,000 |
| | Municipal Parking Lot Improvements | \$ — | \$ 460,000 | \$ — | \$ — | \$ — | \$ 460,000 |
| | Public Parking Lot Improvement Program | \$ — | \$ 663,000 | \$ 619,000 | \$ — | \$ — | \$ 1,282,000 |
| | New Sidewalk Installations | \$ — | \$ 865,000 | \$ 250,000 | \$ — | \$ 3,000,000 | \$ 4,115,000 |
| | Bedford St. and Hartwell Ave. Long-Range Transportation Improvements | \$ — | \$ 1,580,000 | \$ — | \$ — | \$ — | \$ 1,580,000 |
| | Street Acceptance | \$ — | TBD | TBD | TBD | TBD | \$ — |
| | Public Grounds Irrigation Improvements | \$ — | \$ 120,000 | \$ — | \$ — | \$ — | \$ 120,000 |
| | Cemetery Columbarium | \$ — | \$ — | \$ 450,000 | \$ — | \$ — | \$ 450,000 |
| Recreation & Community Programs | Pine Meadows Clubhouse Renovation | \$ — | \$ 120,000 | \$ — | \$ 1,680,000 | \$ — | \$ 1,800,000 |
| | Lincoln Park Field Improvements | \$ — | \$ — | \$ 775,000 | \$ 806,000 | \$ 838,000 | \$ 2,419,000 |
| | | \$ — | \$ 9,923,000 | \$ 2,294,000 | \$ 3,186,000 | \$ 4,213,000 | \$ 19,616,000 |

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Appendix A: Program Improvement Request Summary



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Appendix A: Program Improvement Requests

Shared and Municipal Programs 2000 - 8000

FY2023 Recommended Budget: Program Improvements

Program Improvement Request Summary

| Program | Department Requests | Recommended | Not Recommended |
|-------------------------------------|---------------------|-------------------|---------------------|
| General Fund | | | |
| Public Facilities | \$ 99,496 | \$ 43,796 | \$ 55,700 |
| Public Works | \$ 177,786 | \$ 26,967 | \$ 150,819 |
| Police | \$ 256,052 | \$ 95,933 | \$ 160,119 |
| Fire | \$ 187,961 | \$ 48,633 | \$ 139,328 |
| Library | \$ 92,021 | \$ — | \$ 92,021 |
| Recreation - Non-Enterprise | \$ 25,000 | \$ — | \$ 25,000 |
| Human Services | \$ — | \$ — | \$ — |
| Land Use, Health and Development | \$ 223,670 | \$ 41,184 | \$ 182,486 |
| Select Board | \$ 20,000 | \$ 20,000 | \$ — |
| Town Manager's Office | \$ 43,399 | \$ — | \$ 43,399 |
| Miscellaneous Boards and Committees | \$ 10,000 | \$ — | \$ 10,000 |
| Finance | \$ — | \$ — | \$ — |
| Town Clerk | \$ 94,714 | \$ 30,500 | \$ 64,214 |
| Innovation & Technology | \$ 140,366 | \$ 11,937 | \$ 128,429 |
| Total General Fund Requests | \$ 1,370,465 | \$ 318,950 | \$ 1,051,515 |
| Non-General Fund | | | |
| Water/Sewer Enterprise | \$ 101,516 | \$ — | \$ 101,516 |
| Recreation Enterprise | \$ 127,363 | \$ 127,363 | \$ — |
| Total Non-General Fund | \$ 228,879 | \$ 127,363 | \$ 101,516 |
| Combined Requests Total | \$ 1,599,344 | \$ 446,313 | \$ 1,153,031 |

| GENERAL FUND | | Departmental Request | | | | Recommendation | |
|---|--|----------------------|------------|-----------|------------|----------------|-----------------|
| Program | Description | Compensation | Expenses | Benefits | Total | Recommended | Not Recommended |
| Public Facilities | | | | | | | |
| 2630 - Shared Facilities | Update Admin Role and Make Full-time | \$ 27,000 | \$ — | \$ 16,796 | \$ 43,796 | \$ 43,796 | \$ — |
| 2620 - Municipal Facilities | Additional Maintenance Responsibilities | \$ — | \$ 30,700 | \$ — | \$ 30,700 | \$ — | \$ 30,700 |
| 2620-Municipal Facilities | Maintenance of Empty Facilities | \$ — | \$ 25,000 | \$ — | \$ 25,000 | \$ — | \$ 25,000 |
| Total Public Facilities | | \$ 27,000 | \$ 55,700 | \$ 16,796 | \$ 99,496 | \$ 43,796 | \$ 55,700 |
| Public Works | | | | | | | |
| 3420 Recycling | Transition PT Compost Site Attendant to FT | \$ 32,429 | \$ — | \$ 16,874 | \$ 49,303 | \$ — | \$ 49,303 |
| 3420 Recycling | W-6 position upgrade | \$ 2,496 | \$ — | \$ — | \$ 2,496 | \$ 2,496 | \$ — |
| 3100 Administration | Transition DPW Management Analyst from PT to FT | \$ 24,121 | \$ — | \$ 350 | \$ 24,471 | \$ 24,471 | \$ — |
| 3300 Public Grounds | Assistant Superintendent for Public Grounds | \$ 83,895 | \$ — | \$ 17,621 | \$ 101,516 | \$ — | \$ 101,516 |
| Total Public Works | | \$ 142,941 | \$ — | \$ 34,845 | \$ 177,786 | \$ 26,967 | \$ 150,819 |
| Police | | | | | | | |
| 4110 Police Administration | Administrative Lieutenant | \$ 141,661 | \$ — | \$ 18,458 | \$ 160,119 | \$ — | \$ 160,119 |
| 4120 Patrol & Enforcement | Required Police Training | \$ 41,840 | \$ — | \$ 607 | \$ 42,447 | \$ 42,447 | \$ — |
| 4120 Patrol & Enforcement | Holding Cell Shifts | \$ 44,800 | \$ — | \$ 650 | \$ 45,450 | \$ 45,450 | \$ — |
| 4170 Crossing Guards | Crossing Guard | \$ 7,921 | \$ — | \$ 115 | \$ 8,036 | \$ 8,036 | \$ — |
| Total Police | | \$ 236,222 | \$ — | \$ 19,830 | \$ 256,052 | \$ 95,933 | \$ 160,119 |
| Fire | | | | | | | |
| 4240 - Emergency Management Services | Advanced Life Support Training and Simulation Manikin | \$ — | \$ 48,633 | \$ — | \$ 48,633 | \$ 48,633 | \$ — |
| 4240 - Emergency Management Services | Medstat MS 500 EMS ATV and Trailer | \$ — | \$ 84,048 | \$ — | \$ 84,048 | \$ — | \$ 84,048 |
| 4210 - Fire Administration | Combination Wildfire Scout and Personnel Transporter ATV | \$ — | \$ 55,280 | \$ — | \$ 55,280 | \$ — | \$ 55,280 |
| Total Fire | | \$ — | \$ 187,961 | \$ — | \$ 187,961 | \$ 48,633 | \$ 139,328 |
| Library | | | | | | | |
| 5130 - Youth Services | Full-Time Youth Services Librarian | \$ 69,456 | \$ — | \$ 17,411 | \$ 86,867 | \$ — | \$ 86,867 |
| 5120 - Adult Services | Library Fellowship | \$ 5,080 | \$ — | \$ 74 | \$ 5,154 | \$ — | \$ 5,154 |
| Total Library | | \$ 74,536 | \$ — | \$ 17,485 | \$ 92,021 | \$ — | \$ 92,021 |
| Recreation - General Fund | | | | | | | |
| Cash Capital - Non-Recreation Enterprise Fund | Community Center Furniture | \$ — | \$ 25,000 | \$ — | \$ 25,000 | \$ — | \$ 25,000 |
| Cash Capital - Non-Recreation Enterprise Fund | Community Center Generator | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Total Recreation - General Fund | | \$ — | \$ 25,000 | \$ — | \$ 25,000 | \$ — | \$ 25,000 |
| Land Use, Health & Development | | | | | | | |
| 7120 - Administration | ACROSS Lexington Brochures | \$ — | \$ 5,000 | \$ — | \$ 5,000 | \$ 5,000 | \$ — |
| 7140 - Board of Health | Increase Public Health Nurse to Full-time | \$ 34,681 | \$ — | \$ 1,503 | \$ 36,184 | \$ 36,184 | \$ — |
| 7200 - Planning | Senior Planner | \$ 90,000 | \$ — | \$ 17,709 | \$ 107,709 | \$ — | \$ 107,709 |
| 7300 - Economic Development | Visitors Center Assistant Manager (PT to FT) | \$ 57,538 | \$ — | \$ 17,239 | \$ 74,777 | \$ — | \$ 74,777 |
| Total Land Use, Health & Development | | \$ 182,219 | \$ 5,000 | \$ 36,451 | \$ 223,670 | \$ 41,184 | \$ 182,486 |
| Select Board | | | | | | | |
| 8110 - Select Board Office | Goal Setting | \$ — | \$ 20,000 | \$ — | \$ 20,000 | \$ 20,000 | \$ — |
| Total Select Board | | \$ — | \$ 20,000 | \$ — | \$ 20,000 | \$ 20,000 | \$ — |
| Town Manager | | | | | | | |
| 8220 - Human Resources | Full-time HR Administrative Assistant (PT to FT) | \$ 26,609 | \$ — | \$ 16,790 | \$ 43,399 | \$ — | \$ 43,399 |
| Total Town Manager | | \$ 26,609 | \$ — | \$ 16,790 | \$ 43,399 | \$ — | \$ 43,399 |

| Town Committees | | Compensation | Expenses | Benefits | Total | Recommended | Not Recommended |
|----------------------------------|---|---------------------|-----------------|-----------------|--------------|--------------------|------------------------|
| 8320 - Misc. Boards & Committees | Lexington Human Rights Committee Budget | \$ — | \$ 6,000 | \$ — | \$ 6,000 | \$ — | \$ 6,000 |
| 8320 - Misc. Boards & Committees | Lexington Council for the Arts Expanded Programming | \$ — | \$ 4,000 | \$ — | \$ 4,000 | \$ — | \$ 4,000 |
| Total Town Committees | | \$ — | \$ 10,000 | \$ — | \$ 10,000 | \$ — | \$ 10,000 |

| Town Clerk | | Compensation | Expenses | Benefits | Total | Recommended | Not Recommended |
|---------------------------|--|---------------------|-----------------|-----------------|--------------|--------------------|------------------------|
| 8510 - Town Clerk Admin. | Municipal Clerk Position - additional hours | \$ 10,351 | \$ — | \$ 16,554 | \$ 26,905 | \$ — | \$ 26,905 |
| 8540 - Records Management | Archivist/Records Manager - Additional Hours | \$ 20,606 | \$ — | \$ 16,703 | \$ 37,309 | \$ — | \$ 37,309 |
| 8530 - Elections | Election Modernization - Poll Pads | \$ — | \$ 30,500 | \$ — | \$ 30,500 | \$ 30,500 | \$ — |
| Total Town Clerk | | \$ 30,957 | \$ 30,500 | \$ 33,257 | \$ 94,714 | \$ 30,500 | \$ 64,214 |

| Innovation & Technology | | Compensation | Expenses | Benefits | Total | Recommended | Not Recommended |
|--|-------------------------------------|---------------------|-----------------|-----------------|--------------|--------------------|------------------------|
| 8600 - IT | Administrative Assistant (PT to FT) | \$ 34,197 | \$ — | \$ 16,900 | \$ 51,097 | \$ 6,937 | \$ 44,160 |
| 8600 - IT | Applications Administrator | \$ 66,895 | \$ — | \$ 17,374 | \$ 84,269 | \$ — | \$ 84,269 |
| 8600 - IT | Fiber Maintenance and Repair | \$ — | \$ 5,000 | \$ — | \$ 5,000 | \$ 5,000 | \$ — |
| Total Innovation & Technology | | \$ 101,092 | \$ 5,000 | \$ 34,274 | \$ 140,366 | \$ 11,937 | \$ 128,429 |

Total General Fund \$ 821,576 \$ 339,161 \$ 209,728 \$ 1,370,465 \$ 318,950 \$ 1,051,515

NON-GENERAL FUND

| Water/Sewer Enterprise | | Compensation | Expenses | Benefits | Total | Recommended | Not Recommended |
|-------------------------------------|--|---------------------|-----------------|-----------------|--------------|--------------------|------------------------|
| 3610/3710 - Water/Sewer Operations | Assistant Superintendent for Water/Sewer | \$ 83,895 | \$ — | \$ 17,621 | \$ 101,516 | \$ — | \$ 101,516 |
| Total Water/Sewer Enterprise | | \$ 83,895 | \$ — | \$ 17,621 | \$ 101,516 | \$ — | \$ 101,516 |

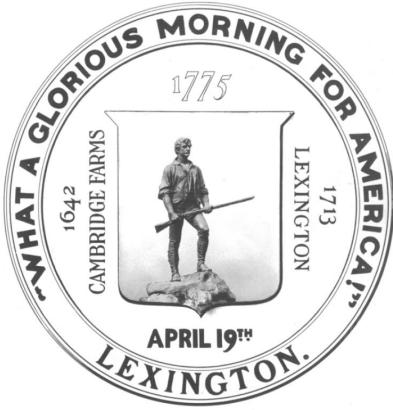
| Recreation Enterprise | | Compensation | Expenses | Benefits | Total | Recommended | Not Recommended |
|------------------------------------|------------------------------------|---------------------|-----------------|-----------------|--------------|--------------------|------------------------|
| 5210 - Administration | Vehicle Replacement | \$ — | \$ 47,000 | \$ — | \$ 47,000 | \$ 47,000 | \$ — |
| 5220 - Recreation | Part-time Recreation Coordinator | \$ 25,000 | \$ — | \$ 363 | \$ 25,363 | \$ 25,363 | \$ — |
| 5210 - Administration | Program Guide - Mailing & Printing | \$ — | \$ 55,000 | \$ — | \$ 55,000 | \$ 55,000 | \$ — |
| Total Recreation Enterprise | | \$ 25,000 | \$ 102,000 | \$ 363 | \$ 127,363 | \$ 127,363 | \$ — |

Total Non-General Fund \$ 108,895 \$ 102,000 \$ 17,984 \$ 228,879 \$ 127,363 \$ 101,516

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Appendix B: Budget Information



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This document summarizes local and state law regarding town budget preparation and submission. References are made to Massachusetts General Laws, the bylaws of the Town of Lexington, the Lexington Selectmen-Town Manager Act, and the Administrative Directives of the Lexington Town Manager. Those references offering the greatest amount of information on the given topic have been listed first.

The Town Manager

The Town Manager is appointed by the Select Board to oversee the daily operations of the Town, to administer the policies and procedures of the Board, and to enforce all bylaws and actions passed at Town Meetings. The Manager is the Chief Executive Officer of the Town, and his/her authority and responsibilities are established in the Selectmen-Town Manager Act of 1968 (at page A20107 - Appendix §A201 Special Acts).

REQUEST FOR DEPARTMENTAL BUDGET INFORMATION

TO OCCUR: Annually, at Town Manager's request

REFERENCE: Selectmen-Town Manager Act §13 (Appendix §A201 Special Acts at page A20113)

The Town Manager may request all boards, departments, committees, commissions and officers of the Town, except the School Committee, to submit to him/her in writing a detailed estimate of the appropriations required for the efficient and proper conduct of the respective departments and offices during the next fiscal year.

REQUEST FOR SCHOOL BUDGET INFORMATION

TO OCCUR: Annually, at Town Manager's request

REFERENCE: Selectmen-Town Manager Act §13 (Appendix §A201 Special Acts at page A20113)

The Town Manager may request from the School Committee a total budget estimate for the next fiscal year.

The Town Manager (continued)

REQUEST FOR CAPITAL EXPENDITURES INFORMATION

TO OCCUR: Annually, at Town Manager's request

REFERENCE: Selectmen-Town Manager Act §12 (Appendix §A201 Special Acts at page A20113)
Sections 29-13 and 29-14 of the Code of the Town of Lexington

All boards, departments, committees, commissions and officers of the Town shall annually submit to the Town Manager and to the Capital Expenditures Committee in writing a detailed estimate of the capital expenditures (as defined below) required for the efficient and proper conduct of their respective departments and offices for the next fiscal year and the ensuing four year period.

Definitions of Capital Expenditures

Per Section 29-14 of the Code of the Town of Lexington, "Capital Expenditures shall mean any and all expense of a non-recurring nature not construed as an ordinary operating expense, the benefit of which will accrue to the Town over an extended period of time."

Per the Manager's budget, "A capital project is defined as a major, non-recurring expenditure including at least one of the following:

- acquisition of land for a public purpose;
 - construction of, or addition to, a facility such as a public building, water or sewer lines, or playfields, etc.;
 - rehabilitation or repair of a building, facility, or equipment; provided the cost is \$25,000 or more and the improvement will have a useful life of 10 years or more;
 - purchase of equipment costing \$25,000 or more, with a useful life of 5 years or more (all cars are defined to be non-capital items);
 - any planning, engineering or design study related to an individual capital project."
-

The Town Manager (continued)

SUBMISSION OF TOWN BUDGET TO SELECT BOARD

TO OCCUR: On the specified date

REFERENCE: Section 90-12 of the Code of the Town of Lexington
Selectmen-Town Manager Act §13 (Appendix §A201 Special Acts at page A20113)

Section 12. The Town Manager shall annually submit to the Select Board, the Appropriation Committee, and the Capital Expenditures Committee for their consideration a proposed budget, revenue statement and tax rate estimate on a date specified no later than September 30 by the Select Board after consultation with the School Committee, Appropriation Committee and the Capital Expenditures Committee.

SUBMISSION OF CAPITAL EXPENDITURES BUDGET TO SELECT BOARD

TO OCCUR: Annually

REFERENCE: Selectmen-Town Manager Act §12 (Appendix §A201 Special Acts at page A20113)

The Town Manager shall submit in writing to the Select Board and to the Capital Expenditures Committee a careful, detailed estimate of the recommended capital expenditures for the next fiscal year and the ensuing four year period, showing specifically the amount necessary to be provided for each office, department and activity and a statement of the amounts required to meet the interest and maturing bonds and notes or other indebtedness of the Town.

The Select Board

Lexington's charter establishes an elected five-member Select Board to oversee the executive branch of Town government. Select Board Members are elected for three-year terms and are responsible for the general direction and management of the property and affairs of the Town.

RECOMMENDATIONS ON TOWN BUDGET

TO OCCUR: Prior to the Annual Town Meeting

REFERENCE: Selectmen-Town Manager Act §13 (Appendix §A201 Special Acts at page A20113)
Mass. General Law Ch. 41, §60

The Select Board shall consider the proposed budget submitted by the Town Manager and make such recommendations relative thereto as they deem expedient and proper in the interest of the Town. The Select Board shall transmit a copy of the budget together with their recommendations relative thereto to the Appropriation Committee and, for its information, a copy to the Capital Expenditures Committee.

RECOMMENDATIONS ON CAPITAL BUDGET

TO OCCUR: Prior to the annual Town Meeting

REFERENCE: Selectmen-Town Manager Act §12-13 (Appendix §A201 Special Acts at page A20113)

The Select Board shall consider the capital budget submitted by the Town Manager and make such recommendations relative thereto as they deem appropriate and proper in the interests of the Town. The Select Board shall transmit a copy of the capital budget together with their recommendations relative thereto to the Appropriation Committee and to the Capital Expenditures Committee.

SUBMISSION OF BUDGET TO TOWN MEETING

TO OCCUR: At least four weeks prior to the date when the Annual Town Meeting is scheduled to consider the budget.

REFERENCE: Section 90-13 of the Code of the Town of Lexington

The Select Board shall submit a budget at the annual Town Meeting. The Select Board's proposed budget shall be distributed to the Appropriation Committee, the Capital Expenditures Committee, and to each Town Meeting Member at least four weeks prior to the date when the Annual Town Meeting is scheduled to consider it.

The Appropriation Committee

The Appropriation Committee is a nine-member board appointed by the Town Moderator. Members are appointed to three-year overlapping terms and serve to evaluate the fiscal policies and priorities set by the Select Board and the Town Meeting. The Committee advises Town Meeting Members on financial proposals, analyzes operating budget proposals, makes fiscal projections, and reviews funding for proposed capital improvements. The Committee's approval is required to use reserve funds for unanticipated operating costs.

APPROPRIATION COMMITTEE REPORT ON TOWN BUDGET

TO OCCUR: Prior to the Annual Town Meeting

REFERENCE: Section 29-11(A) of the Code of the Town of Lexington
Mass. General Law Ch. 39, §16

The Committee shall prior to each annual town meeting for the transaction of business prepare, publish and distribute by making copies available at the Office of the Town Clerk and at Cary Memorial Library, and by mailing or otherwise distributing to each town meeting member a review of the budget adopted by the Select Board to be considered at the Annual Town Meeting. This review will include the Committee's advice and recommendations with reference to the various appropriations of town funds, and other municipal matters coming before such town meeting. The Appropriation Committee shall include in its report an assessment of the budget plan based on all the data available to it concerning the next year's revenues and expenses as well as a projection for future years' revenues and expenses.

This publication may be combined with and distributed at the same time as the Capital Expenditures Committee Report (Section 29-13(B) of the Code of the Town of Lexington).

EXPLANATION OF APPROPRIATION COMMITTEE REPORT

TO OCCUR: At the annual Town Meeting

REFERENCE: Section 29-11(B) of the Code of the Town of Lexington

The Appropriation Committee shall explain its report with advice and recommendations and it shall also at each special Town meeting give its advice and recommendations with reference to any appropriation of the Town funds or other municipal matter coming before such special Town meeting.

The Capital Expenditures Committee

The Capital Expenditures Committee is a five to seven member board appointed by the Town Moderator. Members are appointed to three-year overlapping terms and consider the relative need, timing and cost of capital expenditure projects proposed for the ensuing five-year period.

CAPITAL EXPENDITURES REPORT

TO OCCUR: Prior to the annual Town Meeting

REFERENCE: Section 29-13 of the Code of the Town of Lexington

Each year the Capital Expenditures Committee shall request and receive from the Town boards and departments a list of all capital expenditures that may be required within the ensuing five-year period. The Committee shall consider the relative need, timing and cost of these projects, the adequacy thereof and the effect these expenditures might have on the financial position of the Town.

The Committee shall prior to each annual meeting for the transaction of business prepare, publish and distribute by making copies available at the office of the Town Clerk and at Cary Memorial Library, and by mailing or otherwise distributing to each Town meeting member, a report of its findings, setting forth a list of all such capital expenditures together with the Committee's recommendations as to the projects that should be undertaken within the five-year period and the approximate date on which each recommended project should be started. This publication may be combined with and distributed at the same time as the Appropriation Committee report.

Appendix C: Financial Information



Summary of Town Fund Balances

Combined Summary of Revenues & Expenditures - FY2021 Actuals

The chart below is an extract from the FY2021 Annual Town Report. Revenues received by category (Tax levy, intergovernmental/state aid, fees, etc.) appear at the top, followed by expenditures by service category (education, public safety, public works, etc.). The resulting net impact on overall fund balance is shown in the beginning and ending fund balance figures at the bottom. FY2021 actuals are provided because it is the most recent fiscal year for which data is available.

| | Governmental | | | | Fiduciary | Combined Totals |
|---|-----------------------|----------------------|------------------------|----------------------|-----------------------|-----------------------|
| | General | Special Revenue | Community Preservation | Capital Projects | Expendable Trust | Memorandum Only 2021 |
| Revenues: | | | | | | |
| Property Taxes | \$ 205,700,754 | \$ — | \$ 5,483,354 | \$ — | \$ — | \$ 211,184,108 |
| Intergovernmental | \$ 16,537,430 | \$ 15,645,813 | \$ 1,556,176 | \$ 2,551,255 | \$ 10,382 | \$ 36,301,056 |
| Motor Vehicle & Other Excise Tax | \$ 6,148,772 | \$ — | \$ — | \$ — | \$ — | \$ 6,148,772 |
| Departmental Fees & Charges | \$ 3,745,015 | \$ 12,755,054 | \$ — | \$ — | \$ 198,442 | \$ 16,698,511 |
| Investment Income | \$ 277,170 | \$ 3,880 | \$ 31,543 | \$ — | \$ 5,309,223 | \$ 5,621,817 |
| Special Assessments | \$ 25,644 | \$ — | \$ — | \$ — | \$ — | \$ 25,644 |
| Payments in Lieu of Tax | \$ 660,966 | \$ — | \$ — | \$ — | \$ — | \$ 660,966 |
| Penalties & Interest | \$ 518,515 | \$ — | \$ 10,065 | \$ — | \$ — | \$ 528,580 |
| Licenses & Permits | \$ 3,542,914 | \$ — | \$ — | \$ — | \$ — | \$ 3,542,914 |
| Fines & Forfeits | \$ 59,178 | \$ — | \$ — | \$ — | \$ — | \$ 59,178 |
| Total Revenues | \$ 237,216,360 | \$ 28,404,747 | \$ 7,081,138 | \$ 2,551,255 | \$ 5,518,047 | \$ 280,771,547 |
| Expenditures: | | | | | | |
| General Government | \$ 12,537,197 | \$ 1,040,581 | \$ 5,381,812 | \$ 1,447,390 | \$ 227,389 | \$ 20,634,370 |
| Public Safety | \$ 16,512,148 | \$ 4,430,930 | \$ — | \$ 2,987,725 | \$ — | \$ 23,930,803 |
| Education | \$ 123,973,135 | \$ 11,687,163 | \$ — | \$ 10,936,736 | \$ — | \$ 146,597,034 |
| Public Works | \$ 8,482,363 | \$ 1,817,249 | \$ — | \$ 13,111,968 | \$ 76,749 | \$ 23,488,328 |
| Health & Human Services | \$ 1,689,416 | \$ 618,716 | \$ — | \$ — | \$ 11,257 | \$ 2,319,388 |
| Culture & Recreation | \$ 4,133,652 | \$ 109,564 | \$ — | \$ 27,014 | \$ 6,645 | \$ 4,276,875 |
| State & County Assessments | \$ 990,747 | \$ 83,637 | \$ — | \$ — | \$ — | \$ 1,074,384 |
| Debt Service | \$ 27,783,470 | \$ 205,557 | \$ 3,923,961 | \$ — | \$ — | \$ 31,912,988 |
| Pension | \$ 6,695,106 | \$ — | \$ — | \$ — | \$ — | \$ 6,695,106 |
| Insurance | \$ 31,131,543 | \$ 29,180,527 | \$ — | \$ — | \$ — | \$ 60,312,070 |
| Total Expenditures | \$ 233,928,775 | \$ 49,173,924 | \$ 9,305,774 | \$ 28,510,833 | \$ 322,040 | \$ 321,241,346 |
| Excess (Deficiency) of Rev over Exp | \$ 3,287,584 | \$ (20,769,178) | \$ (2,224,635) | \$ (25,959,578) | \$ 5,196,007 | \$ (40,469,799) |
| Other Financing Sources (Uses): | | | | | | |
| Proceeds of Bonds/BANS | \$ — | \$ 60,172 | \$ 2,026,000 | \$ 8,242,350 | \$ — | \$ 10,328,522 |
| Repayment of Bonds/BANS | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Transfer from Reserve for Abatements | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Transfer from other Funds | \$ 11,573,384 | \$ 25,678,672 | \$ 3,192,024 | \$ 8,508,993 | \$ 750,000 | \$ 49,703,073 |
| Transfer to other Funds | \$ (8,987,431) | \$ (2,504,382) | \$ (3,196,165) | \$ (598,166) | \$ (5,176,057) | \$ (20,462,200) |
| Total Other (Uses) | \$ 2,585,953 | \$ 23,234,462 | \$ 2,021,859 | \$ 16,153,178 | \$ (4,426,057) | \$ 39,569,395 |
| Excess (Deficiency) of Revenues Over Expenditures | \$ 5,873,538 | \$ 2,465,284 | \$ (202,776) | \$ (9,806,400) | \$ 769,950 | \$ (900,404) |
| Fund Balance, Beg. of Year | \$ 41,459,885 | \$ 16,348,144 | \$ 7,302,262 | \$ 22,120,547 | \$ 57,439,253 | \$ 144,670,092 |
| Fund Balance, End of Year | \$ 47,333,423 | \$ 18,813,428 | \$ 7,099,486 | \$ 12,314,147 | \$ 58,209,203 | \$ 143,769,688 |

Summary of Revolving Fund Balances

FY2021 Actuals (and first half of FY2022)

This chart shows beginning and ending balances for municipal Revolving Funds for FY2021 and the first half of FY2022. Beginning balances (as of July 1, 2020) are shown in the first column, followed by all revenues received for the year and expenditures made. Rules for the establishment, use and reporting of Revolving Funds are set forth in M.G.L. Chapter 44, Section 53E½.

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|---|-------------------------------|---------------------------|--------------------------------|------------------------------|--------------------------------|-------------------------------------|--------------------------------|
| | 7/1/2020 Beg. Bal. | FY2021 Revenue | FY2021 Expenditures | 7/1/2021 End Bal. | July-Dec 21 Revenue | July-Dec 21 Expenditures | 12/31/2021 End Bal. |
| School Bus Transportation | \$ 465,025 | \$ 444,398 | \$ 201,309 | \$ 708,114 | \$ 647,688 | \$ 401,283 | \$ 954,519 |
| Building Rental Revolving Fund | \$ 404,878 | \$ 32,591 | \$ 114,231 | \$ 323,238 | \$ 69,449 | \$ 75,138 | \$ 317,549 |
| Regional Cache - Hartwell Ave | \$ 24,616 | \$ 9,248 | \$ 1,883 | \$ 31,981 | \$ — | \$ — | \$ 31,981 |
| Trees | \$ 175,437 | \$ 54,120 | \$ 23,450 | \$ 206,107 | \$ 73,270 | \$ 5,780 | \$ 273,597 |
| Burial Containers | \$ 261,783 | \$ 35,680 | \$ 23,060 | \$ 274,403 | \$ 19,420 | \$ 7,902 | \$ 285,921 |
| Compost Operations | \$ 598,365 | \$ 804,309 | \$ 877,501 | \$ 525,173 | \$ 372,057 | \$ 314,137 | \$ 583,093 |
| Minuteman Household Hazardous Waste Program | \$ 59,424 | \$ 206,854 | \$ 202,253 | \$ 64,025 | \$ 90,255 | \$ 36,743 | \$ 117,537 |
| Senior Services | \$ 42,438 | \$ 8,151 | \$ 6,469 | \$ 44,121 | \$ 11,306 | \$ 1,816 | \$ 53,610 |
| Health Programs | \$ 72,475 | \$ 21,342 | \$ 26,531 | \$ 67,287 | \$ 7,341 | \$ 24,925 | \$ 49,702 |
| Liberty Ride | \$ (4,195) | \$ 790 | \$ — | \$ (3,404) | \$ 52,096 | \$ 69,192 | \$ (20,501) |
| Visitors Center | \$ (11,686) | \$ 74,242 | \$ 59,470 | \$ 3,086 | \$ 150,915 | \$ 122,839 | \$ 31,163 |

Stabilization Fund History

Authorized M.G.L. Ch. 40, Sec. 5, the Town of Lexington's general stabilization fund has grown steadily since FY2007. Stemming from actions of Town Meeting and recommendations of the Select Board's Ad Hoc Fiscal Policy Committee, annual fund balances are shown in the table below.

General Stabilization Fund History

| | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Balance | \$ 9,056,939 | \$ 9,251,859 | \$ 9,447,866 | \$ 9,649,865 | \$ 9,800,414 | \$ 9,920,811 |
| Interest Earned | \$ 194,920 | \$ 196,008 | \$ 201,999 | \$ 150,549 | \$ 120,397 | \$ 116,927 |
| T.M. Appropriation | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| T.M. Withdrawal | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Ending Balance | \$ 9,251,859 | \$ 9,447,866 | \$ 9,649,865 | \$ 9,800,414 | \$ 9,920,811 | \$10,037,738 |

Specialized Stabilization Funds

| <i>Ending balances as of fiscal year end</i> | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Transportation Demand Management | \$ 300,766 | \$ 214,309 | \$ 226,906 | \$ 182,762 | \$ 377,177 | \$ 236,806 |
| Traffic Mitigation Stabilization Fund | \$ 147,401 | \$ 146,701 | \$ 321,751 | \$ 357,800 | \$ 645,163 | \$ 646,173 |
| Special Education Stabilization Fund | \$ 1,078,170 | \$ 1,088,001 | \$ 1,105,262 | \$ 1,132,883 | \$ 1,151,926 | \$ 1,154,087 |
| Capital Stabilization Fund | \$ 16,725,947 | \$ 23,203,210 | \$ 28,597,934 | \$ 27,727,713 | \$ 25,229,254 | \$ 20,674,058 |
| Center Improvement Stabilization Fund | \$ 86,872 | \$ 87,664 | \$ 61,628 | \$ 35,497 | \$ 10,357 | \$ 10,376 |
| TMOD Stabilization Fund | \$ 98,164 | \$ 98,263 | \$ 333,310 | \$ 344,226 | \$ 98,944 | \$ 99,483 |
| Debt Stabilization Fund | \$ 895,503 | \$ 778,494 | \$ 664,828 | \$ 554,300 | \$ 438,280 | \$ 314,977 |
| Visitors Center Stabilization Fund | \$ — | \$ — | \$ 242 | \$ 212,573 | \$ 218,083 | \$ 23,791 |
| Affordable Housing Capital Stabilization Fund | \$ — | \$ — | \$ — | \$ — | \$ 186,922 | \$ 191,255 |

Dedicated Trust Funds

| <i>Ending balances as of fiscal year end</i> | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|--|--------------|--------------|---------------|---------------|---------------|---------------|
| Other Post Employment Benefits (OPEB) | \$ 7,334,848 | \$ 9,869,875 | \$ 12,475,463 | \$ 15,773,899 | \$ 18,466,182 | \$ 24,058,353 |
| Health Claims Trust Fund | \$ 5,693,188 | \$ 4,540,875 | \$ 3,851,400 | \$ 3,178,997 | \$ 2,474,692 | \$ 1,728,923 |
| Dental Trust Fund | \$ 223,169 | \$ 225,204 | \$ 228,777 | \$ 234,494 | \$ 238,435 | \$ 238,883 |

Summary of Reserve Fund Transfers

FY2016-FY2021

The chart below shows the budgeted and actual transfers from the Appropriation Committee Reserve Fund. The fund, set forth under M.G.L. Ch. 40, Sec. 6, is to be used for extraordinary and unforeseen expenditures, which cannot be paid through regular program appropriations.

Specifically, M.G.L. states:

Chapter 40, Section 6. Towns; reserve funds for extraordinary expenditures; establishment

Section 6. To provide for extraordinary or unforeseen expenditures, a town may at an annual or special town meeting appropriate or transfer a sum or sums not exceeding in the aggregate five per cent of the levy of the fiscal year preceding the fiscal year for which the fund, to be known as the reserve fund, is established. No direct drafts against this fund shall be made, but transfers from the fund may from time to time be voted by the finance or appropriation committee of the town, in towns having such a committee, and in other towns by the selectmen; and the town accountant in towns having such an official, and in other towns the auditor or board of auditors, shall make such transfers accordingly.

Appropriated by Town Meeting annually, the Appropriation Committee approves transfer requests.

| | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Budgeted Amounts | \$ 900,000 | \$ 900,000 | \$ 900,000 | \$ 900,000 | \$ 900,000 | \$ 750,000 |
| Reserve Fund Transfers | \$ 176,800 | \$ 198,115 | \$ 106,000 | \$ — | \$ 100,000 | \$ 15,000 |
| 2400 - Public Facilities | | \$ 106,000 | \$ 106,000 | | | |
| 4200 - Fire Wages | | | | | \$ 100,000 | |
| 7130 - Conservation | | | | | | \$ 15,000 |
| Capital | \$ 176,800 | \$ 92,115 | | | | |

Budgeted Full-Time Employee (FTE) Levels

The figures below represent the original budgeted full-time employee (FTE) levels by department over the last 10 years. For explanations of individual adjustments, please refer to the individual department staffing pages for the year(s) in question.

| Department | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Public Schools | | | | | | | | | | |
| Unit A - LEA | 649.0 | 660.9 | 685.6 | 702.2 | 726.3 | 751.8 | 769.9 | 778.1 | 777.3 | 782.2 |
| Unit D - LEA | 75.9 | 78.0 | 82.2 | 88.9 | 88.4 | 90.2 | 92.4 | 90.2 | 89.7 | 90.2 |
| Unit C - IA/SSI/SIA | 133.2 | 143.6 | 152.7 | 159.5 | 158.4 | 162.5 | 176.5 | 176.0 | 183.5 | 184.8 |
| Other Staff | 105.6 | 106.7 | 115.3 | 119.1 | 128.2 | 123.2 | 125.9 | 125.1 | 112.8 | 108.3 |
| Total LPS FTEs | 963.7 | 989.1 | 1,035.7 | 1,069.7 | 1,101.3 | 1,127.7 | 1,164.7 | 1,169.4 | 1,163.3 | 1,165.6 |
| Public Facilities | 80.0 | 80.5 | 80.5 | 81.5 | 84.5 | 84.5 | 86.5 | 89.5 | 89.5 | 90.0 |
| Total Shared Svcs. FTEs | 80.0 | 80.5 | 80.5 | 81.5 | 84.5 | 84.5 | 86.5 | 89.5 | 89.5 | 90.0 |
| DPW - Admin & Engineering | 13.9 | 14.9 | 14.9 | 14.9 | 15.9 | 15.9 | 15.9 | 15.9 | 15.9 | 16.3 |
| DPW - Highway | 19.0 | 19.0 | 19.0 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 | 18.5 |
| DPW - Public Grounds | 25.2 | 25.2 | 25.2 | 25.2 | 25.2 | 25.2 | 26.2 | 26.2 | 26.2 | 25.6 |
| DPW - Environmental Svcs. | 3.7 | 4.2 | 4.2 | 4.2 | 4.2 | 4.7 | 4.7 | 4.7 | 4.7 | 4.7 |
| DPW - Water | 10.7 | 10.7 | 10.7 | 10.7 | 10.7 | 11.2 | 11.2 | 11.2 | 11.2 | 11.2 |
| DPW - Sewer | 4.4 | 4.4 | 4.4 | 4.4 | 4.4 | 4.9 | 4.9 | 4.9 | 4.9 | 4.9 |
| Police | 72.2 | 72.2 | 74.2 | 73.3 | 73.3 | 74.6 | 74.6 | 75.6 | 72.8 | 73.0 |
| Fire | 63.7 | 63.9 | 63.9 | 63.9 | 63.9 | 65.9 | 65.9 | 65.9 | 65.9 | 65.9 |
| Cary Library | 34.5 | 34.5 | 34.5 | 34.5 | 34.2 | 34.5 | 34.8 | 35.1 | 36.1 | 36.0 |
| Recreation & Comm. Pgms. | 5.3 | 5.3 | 10.8 | 11.3 | 11.3 | 12.0 | 12.0 | 9.8 | 11.8 | 12.2 |
| Human Services | 10.0 | 10.0 | 8.7 | 8.9 | 8.9 | 10.2 | 10.4 | 10.6 | 10.6 | 10.6 |
| Land Use - Bldg & Zoning | 6.3 | 6.4 | 6.6 | 6.6 | 6.6 | 6.8 | 6.8 | 6.8 | 6.8 | 7.0 |
| Land Use - Admin | 5.0 | 5.0 | 6.0 | 6.0 | 6.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Land Use - Conservation | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 | 2.3 |
| Land Use - Health | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 2.6 | 3.6 | 3.6 | 4.0 |
| Land Use - Planning | 3.6 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Land Use - Econ. Dev. | 1.7 | 1.7 | 8.5 | 9.0 | 9.0 | 9.0 | 9.0 | 8.3 | 8.3 | 8.3 |
| Select Board | 1.9 | 1.9 | 1.9 | 2.0 | 2.1 | 2.2 | 2.2 | 2.3 | 2.3 | 2.3 |
| Town Manager | 8.1 | 8.1 | 7.1 | 7.1 | 7.1 | 8.1 | 9.1 | 9.7 | 11.7 | 11.7 |
| Finance | 18.5 | 17.3 | 17.7 | 18.0 | 18.0 | 16.8 | 16.8 | 16.8 | 17.8 | 17.8 |
| Town Clerk | 4.4 | 4.5 | 4.5 | 4.5 | 4.5 | 4.7 | 4.7 | 4.7 | 4.7 | 4.7 |
| Innovation & Technology | 5.0 | 6.0 | 9.8 | 9.8 | 10.0 | 10.0 | 10.7 | 10.7 | 9.7 | 9.8 |
| Total Municipal FTEs | 322.0 | 324.1 | 341.4 | 341.7 | 342.7 | 351.0 | 354.1 | 354.3 | 356.4 | 357.5 |
| Overall Budgeted FTEs | 1,365.7 | 1,393.7 | 1,457.6 | 1,492.9 | 1,528.6 | 1,563.2 | 1,605.3 | 1,613.1 | 1,609.3 | 1,613.0 |

Lexington Retirement System History

Authorized under M.G.L. Ch. 32, the Lexington Retirement System is charged with managing the pensions of most municipal and school employees. Teachers are covered by the Massachusetts Teachers Retirement System. State law requires that retirement systems fully fund their pension liabilities by 2040.

The Lexington Retirement Board conducts a full update to the Lexington Retirement System's actuarial valuation every two years. The most recent valuation was as of January 1, 2021, and incorporated updated employment and salary information as well changes to model assumptions. In particular, the Retirement Board voted to decrease the assumed rate of return from 7.50% to 7.25%, and to factor in a COLA base increase from \$14,000 to \$15,000 beginning in FY2023. These factors contributed to an increase the System's unfunded liability and corresponding decrease in the overall percentage funded.

The FY2023 assessment reflects the new actuarial valuation and updated funding schedules. The Town is now on track to fully fund the Retirement System in 2030.

The following table shows information concerning the Pension Liability.

| | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | FY2022 | FY2023 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Assessment | \$ 5,505,537 | \$ 5,755,537 | \$ 6,005,537 | \$ 6,405,537 | \$ 6,755,537 | \$ 7,500,000 | \$ 8,250,000 |
| % Funded | 85.3% | 87.0% | 87.1% | 89.1% | 79.9% | 81.8% | |
| Target Date for 100% Liability Funding | 2024 | 2024 | 2024 | 2024 | 2028 | 2028 | 2030 |

Snow & Ice History

The following chart details snow and ice expenditures for the Town of Lexington over the last 10 fiscal years. As a variable expenditure, Massachusetts General Law allows cities and towns to carry over deficits from one year to be funded by revenue in the following year. The Town works to limit expenditures where feasible, leverage available funds from other Department of Public Works items, or transfer from the Reserve Fund. Where balances remain, they are funded in the following year, as noted in the column on the right.

| Fiscal Year | Budget | Actual | Surplus/ (Shortfall) | Transfers within DPW Budget | Reserve Fund Transfers | Year End Deficit Raised in Next Fiscal Year |
|------------------------------|---------------------|---------------------|-------------------------|-----------------------------------|------------------------------|--|
| 2021 | \$ 1,459,612 | \$ 1,447,960 | \$ 11,652 | \$ — | \$ — | \$ — |
| 2020 | \$ 1,387,233 | \$ 974,463 | \$ 412,770 | \$ — | \$ — | \$ — |
| 2019 | \$ 1,354,130 | \$ 1,338,630 | \$ 15,500 | \$ — | \$ — | \$ — |
| 2018 | \$ 1,257,822 | \$ 1,628,760 | \$ (370,938) | \$ 70,938 | \$ — | \$ 300,000 |
| 2017 | \$ 1,188,024 | \$ 1,685,467 | \$ (497,443) | \$ 232,193 | \$ — | \$ 265,250 |
| 2016 | \$ 1,128,216 | \$ 1,196,662 | \$ (68,446) | \$ 68,446 | \$ — | \$ — |
| 2015 | \$ 1,127,716 | \$ 2,235,573 | \$ (1,107,857) | \$ 464,207 | \$ — | \$ 643,650 |
| 2014 | \$ 1,091,534 | \$ 1,744,540 | \$ (653,006) | \$ — | \$ — | \$ 653,006 |
| 2013 | \$ 1,091,534 | \$ 1,448,098 | \$ (356,564) | \$ 149,564 | \$ 207,000 | \$ — |
| 2012 | \$ 1,004,944 | \$ 603,900 | \$ 401,044 | \$ — | \$ — | \$ — |
| Total | \$12,090,765 | \$14,304,053 | \$ (2,213,288) | \$ 985,348 | \$ 207,000 | \$ 1,861,905 |
| 2017-2021 Average | \$ 1,329,364 | \$ 1,415,056 | \$ (85,692) | \$ 60,626 | \$ — | \$ 113,050 |
| 2012-2021 Average | \$ 1,209,077 | \$ 1,430,405 | \$ (221,329) | \$ 98,535 | \$ 20,700 | \$ 186,191 |

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

| | Authorization | | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | Adopted | Recommended |
|---|---------------|---------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | ATM | Article | Actual | Actual | Actual | Actual | Actual | Actual | FY2022 | FY2023 |
| | | | | | | | | | Budget | Budget |
| Community Preservation Act Revenue | | | | | | | | | | |
| Prior Year Balance (allocated and unallocated) | | | | | | | | | | |
| Property Surcharge | | | \$ 4,224,137 | \$ 4,398,551 | \$ 4,649,498 | \$ 4,896,101 | \$ 5,179,607 | \$ 5,489,575 | \$ 5,700,000 | \$ 5,950,000 |
| State Match | | | \$ 1,229,774 | \$ 897,243 | \$ 789,905 | \$ 922,256 | \$ 1,219,950 | \$ 1,549,955 | \$ 2,500,261 | \$ 2,166,000 |
| Investment Income | | | \$ 26,720 | \$ 30,076 | \$ 53,935 | \$ 182,053 | \$ 73,014 | \$ 31,543 | \$ 20,000 | \$ 20,000 |
| Donations/Other | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Revenues | | | \$ 5,480,632 | \$ 5,325,871 | \$ 5,493,338 | \$ 6,000,410 | \$ 6,472,571 | \$ 7,071,074 | \$ 8,220,261 | \$ 8,136,000 |
| Use of Community Preservation Funds | | | | | | | | | | |
| Open Space Reserve Allocation | | | | | | | | | | |
| Beginning balance | | | \$ 772,618 | \$ 573,191 | \$ 538,903 | \$ 261,322 | \$ 652,172 | \$ 581,415 | \$ (59,736) | \$ 344,014 |
| New Allocation | | | \$ 504,800 | \$ 538,600 | \$ 547,200 | \$ 551,400 | \$ 568,600 | \$ 680,000 | \$ 743,000 | \$ 813,600 |
| Close Out of Unused Project Balances | | | \$ - | \$ - | \$ - | \$ 220,000 | \$ 1,443 | \$ 1,324 | | |
| Total | | | \$ 1,277,418 | \$ 1,111,791 | \$ 1,086,103 | \$ 1,032,722 | \$ 1,222,215 | \$ 1,262,739 | \$ 683,264 | \$ 1,157,614 |
| Appropriations for: | | | | | | | | | | |
| Conservation Meadow Preservation Program | 2015 | 8(a) | \$ 26,400 | | | | | | | |
| Property Purchase - 241 Grove Street - Total acquisition costs are \$618,000; \$264,428 is from Community Housing and \$100,545 is from Unbudgeted Reserves | 2015 | 9 | \$ 253,027 | | | | | | | |
| Wright Farm Barn Needs Assessment and Feasibility Study | 2016 | 8(a) | | \$ 35,000 | | | | | | |
| Grain Mill Alley Design Implementation | 2016 | 8(o) | | \$ 127,838 | | | | | | |
| Cotton Farm Conservation Area Improvements | 2017 | 10(f) | | | \$ 301,300 | | | | | |
| Willard's Woods and Wright Farm Meadow Preservation | 2017 | 10(e) | | | \$ 40,480 | | | | | |
| Wright Farm Supplemental Funds | 2017 | 10(g) | | | \$ 87,701 | | | | | |
| Conservation Land Acquisition | 2019 | 14(a) | | | | | \$ 275,000 | | | |
| Daisy Wilson Meadow Preservation | 2020 | 10(e) | | | | | | \$ 22,425 | | |
| Wright Farm Site Access Planning and Design | 2020 | 10(f) | | | | | | \$ 69,000 | | |
| Land Acquisition - 39 Highland Ave - Total acquisition costs \$3,560,000; \$880,000 from Open Space Reserve, \$2,680,000 from Undesignated Fund Balance | STM 2020-3 | 7 | | | | | | \$ 880,000 | | |
| West Farm Meadow Preservation | 2022 | 10(c) | | | | | | | | \$ 28,175 |
| CPA Debt Service - Wright Farm Acquisition (Auth. Art. 9(a) 2012 ATM) | | | \$ 424,800 | \$ 410,050 | \$ 395,300 | \$ 380,550 | \$ 365,800 | \$ 351,050 | \$ 339,250 | \$ 324,500 |
| subtotal - appropriations | | | \$ 704,227 | \$ 572,888 | \$ 824,781 | \$ 380,550 | \$ 640,800 | \$ 1,322,475 | \$ 339,250 | \$ 352,675 |
| Open Space Reserve Balance at end of fiscal year | | | \$ 573,191 | \$ 538,903 | \$ 261,322 | \$ 652,172 | \$ 581,415 | \$ (59,736) | \$ 344,014 | \$ 804,939 |

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

| | Authorization | | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | Adopted | Recommended |
|--|---------------|---------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|-------------------|---------------------|
| | ATM | Article | Actual | Actual | Actual | Actual | Actual | Actual | FY2022 | FY2023 |
| | | | Budget | Budget | Budget | Budget | Budget | Budget | Budget | Budget |
| Historic Resources Reserve Allocation | | | | | | | | | | |
| Beginning balance | | | \$ 122,187 | \$ 79,313 | \$ 612,746 | \$ 447,833 | \$ 52,633 | \$ 63,647 | \$ 48,742 | \$ 21,242 |
| New Allocation | | | \$ 504,800 | \$ 538,600 | \$ 547,200 | \$ 551,400 | \$ 568,600 | \$ 680,000 | \$ 743,000 | \$ 813,600 |
| Close Out of Unused Project Balances | | | \$ 13,714 | \$ 49,113 | \$ 42,637 | \$ 38,400 | \$ 2,414 | \$ 76,139 | \$ - | \$ - |
| Total | | | \$ 640,701 | \$ 667,026 | \$ 1,202,583 | \$ 1,037,633 | \$ 623,647 | \$ 819,786 | \$ 791,742 | \$ 834,842 |
| Appropriations for: | | | | | | | | | | |
| <i>Cary Memorial Building Sidewalk Enhancements (Special Town Meeting)</i> | STM | 4 | \$ 194,200 | | | | | | | |
| <i>Parker's Revenge Site Restoration</i> | 2015 | 8(b) | \$ 36,790 | | | | | | | |
| <i>First Parish Church Restoration - Historic Structure Report</i> | 2015 | 8(c) | \$ 40,000 | | | | | | | |
| <i>Cary Memorial Building Records Center Shelving</i> | 2015 | 8(d) | \$ 75,398 | | | | | | | |
| <i>Battle Green Streetscape Improvements</i> | 2015 | 8(e) | \$ 140,000 | | | | | | | |
| <i>Community Center Sidewalk Design</i> | 2015 | 8(f) | \$ 50,000 | | | | | | | |
| <i>Community Center Preservation Restriction Endowment</i> | 2015 | 8(h) | \$ 25,000 | | | | | | | |
| <i>Munroe Center for the Arts Window Study</i> | 2016 | 8(b) | | \$ 30,000 | | | | | | |
| <i>Lexington Arts and Crafts Society Parson's Gallery Lighting Renovation</i> | 2016 | 8(c) | | \$ 24,280 | | | | | | |
| <i>Munroe School Window Restoration</i> | 2017 | 10(i) | | | \$ 675,000 | | | | | |
| <i>Interpretive Signage Project</i> | 2017 | 10(a) | | | \$ 38,400 | | | | | |
| <i>Parker's Revenge Interpretive and Public Education Project</i> | 2017 | 10(b) | | | \$ 41,350 | | | | | |
| <i>Community Center Sidewalk</i> | 2018 | 10(b) | | | | \$ 365,000 | | | | |
| <i>Archives & Records Management/Records Conservation & Preservation</i> | 2018 | 10(c) | | | | \$ 20,000 | | | | |
| <i>9 Oakland St. Renovation and Adaptive Re-Use</i> | 2018 | 10(d) | | | | \$ 200,000 | | | | |
| <i>Archives & Records Management</i> | 2020 | 10(a) | | | | | \$ 20,000 | | | |
| <i>Restoration of Margaret Lady of Lexington Painting</i> | 2020 | 10(b) | | | | | \$ 9,000 | | | |
| <i>Battle Green Master Plan Phase-3</i> | 2020 | 10(c) | | | | | \$ 317,044 | | | |
| <i>Community Center Mansion Sidewalk & Patio</i> | 2021 | 10(c) | | | | | | \$ 110,000 | | |
| <i>Archives & Records Management</i> | 2022 | 10(a) | | | | | | | | \$ 20,000 |
| <i>Wright Farm Barn Stabilization</i> | 2022 | 10(b) | | | | | | | | \$ 155,000 |
| <i>CPA Debt Service - Marrett Road Acquisition (Authorized Art. 2, 2013 ATM)</i> | | | | | | \$ 400,000 | \$ 560,000 | \$ 425,000 | \$ 660,500 | \$ 773,000 |
| subtotal - appropriations | | | \$ 561,388 | \$ 54,280 | \$ 754,750 | \$ 985,000 | \$ 560,000 | \$ 771,044 | \$ 770,500 | \$ 948,000 |
| Historic Resources Reserve Balance at end of fiscal year | | | \$ 79,313 | \$ 612,746 | \$ 447,833 | \$ 52,633 | \$ 63,647 | \$ 48,742 | \$ 21,242 | \$ (113,158) |

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

| | Authorization | | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | Adopted | Recommended |
|--|---------------|---------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|
| | ATM | Article | Actual | Actual | Actual | Actual | Actual | Actual | FY2022 | FY2023 |
| | | | Budget | Budget | | | | | Budget | Budget |
| Community Housing Reserve Allocation | | | | | | | | | | |
| Beginning balance | | | \$ 8,102 | \$ 48,473 | \$ 185,949 | \$ 56,437 | \$ 194,948 | \$ 663,848 | \$ 1,144,452 | \$ 1,887,452 |
| New Allocation | | | \$ 504,800 | \$ 538,600 | \$ 547,200 | \$ 551,400 | \$ 568,600 | \$ 680,000 | \$ 743,000 | \$ 813,600 |
| Close Out of Unused Project Balances | | | \$ - | \$ 47,126 | \$ - | \$ 187,111 | \$ - | \$ 5,605 | \$ - | \$ - |
| Total | | | \$ 512,902 | \$ 634,199 | \$ 733,149 | \$ 794,948 | \$ 763,548 | \$ 1,349,452 | \$ 1,887,452 | \$ 2,701,052 |
| Appropriations for: | | | | | | | | | | |
| <i>Property Purchase - 241 Grove Street - total acquisition costs are \$618,000; \$253,027 funded from Open Space and \$100,545 funded from Unbudgeted Reserve</i> | 2015 | 9 | \$ 264,428 | | | | | | | |
| <i>Property Improvements - 241 Grove Street (Special Town Meeting, 12/2/2015)</i> | STM | 5 | \$ 200,000 | | | | | | | |
| <i>Keeler Farm Community Housing acquisition</i> | 2016 | 8(e) | | \$ 185,000 | | | | | | |
| <i>Greeley Village Rear Door and Porch Preservation</i> | 2016 | 8(f) | | \$ 263,250 | | | | | | |
| <i>Affordable Units Preservation - Pine Grove/Judge's Road</i> | 2017 | 10(d) | | | \$ 620,000 | | | | | |
| <i>Greeley Village Rear Door and Porch Supplemental Request</i> | 2017 | 10(c) | | | \$ 56,712 | | | | | |
| <i>Lowell Street - Farmview Affordable Housing Supplemental Funds</i> | 2018 | 10(j) | | | | \$ 600,000 | | | | |
| <i>LexHAB Preservation Rehabilitation and Restoration of Affordable Housing</i> | 2019 | 14(k) | | | | | \$ 99,700 | | | |
| <i>LHA: Greeley Village Community Center Preservation</i> | 2020 | 10(l) | | | | | | \$ 130,000 | | |
| <i>LexHAB: 116 Vine Street Design Funds</i> | 2020 | 10(m) | | | | | | \$ 75,000 | | |
| <i>LexHAB: Preservation and Rehabilitation</i> | 2022 | 10(j) | | | | | | | | \$ 234,000 |
| <i>LexHAB: 116 Vine Street Construction Funds (Total cost is \$5,300,000; \$3,300,000 funded from Undesignated Fund Balance.)</i> | 2022 | 10(k) | | | | | | | | \$ 2,000,000 |
| <i>LHA: Vynebrooke Village Preservation</i> | 2022 | 10(l) | | | | | | | | \$ 160,790 |
| subtotal - appropriations | | | \$ 464,428 | \$ 448,250 | \$ 676,712 | \$ 600,000 | \$ 99,700 | \$ 205,000 | \$ - | \$ 2,394,790 |
| Community Housing Reserve Balance at end of fiscal year | | | \$ 48,473 | \$ 185,949 | \$ 56,437 | \$ 194,948 | \$ 663,848 | \$ 1,144,452 | \$ 1,887,452 | \$ 306,262 |

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

| | Authorization | | FY2016 | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 | Adopted | Recommended |
|---|---------------|---------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | ATM | Article | Actual | Actual | Actual | Actual | Actual | Actual | FY2022 | FY2023 |
| | | | Budget | Budget | Budget | Budget | Budget | Budget | Budget | Budget |
| Unbudgeted Reserve | | | | | | | | | | |
| Beginning balance | | | NA | NA | NA | NA | NA | NA | NA | NA |
| New Allocation | | | \$ 3,533,600 | \$ 3,710,071 | \$ 3,851,738 | \$ 4,346,210 | \$ 4,766,771 | \$ 5,031,074 | \$ 5,991,261 | \$ 5,695,200 |
| Total | | | \$ 3,533,600 | \$ 3,710,071 | \$ 3,851,738 | \$ 4,346,210 | \$ 4,766,771 | \$ 5,031,074 | \$ 5,991,261 | \$ 5,695,200 |
| Appropriations for: | | | | | | | | | | |
| Park Improvements - Athletic Fields | 2015 | 8(j) | \$ 85,000 | | | | | | | |
| Park and Playground Improvements | 2015 | 8(i) | \$ 68,000 | | | | | | | |
| Park and Playground ADA Accessibility Study | 2015 | 8(k) | \$ 78,000 | | | | | | | |
| Park Improvements - Hard Court Resurfacing | 2015 | 8(l) | \$ 55,000 | | | | | | | |
| Lincoln Park Field Improvements | 2015 | 8(m) | \$ 220,000 | | | | | | | |
| Minuteman Bikeway Culvert Rehabilitation | 2015 | 8(n) | \$ 290,000 | | | | | | | |
| Grain Mill Alley Design Funds | 2015 | 8(o) | \$ 18,000 | | | | | | | |
| Minuteman Bikeway Wayfinding Signs | 2015 | 8(p) | \$ 39,000 | | | | | | | |
| Lower Vine Brook Paved Recreation Path Reconstruction | 2015 | 8(q) | \$ 369,813 | | | | | | | |
| Property Purchase - 241 Grove Street - total acquisition costs are \$618,000; \$264,428 funded from Community Housing, and \$253,027 funded from Open Space | 2015 | 9 | \$ 100,545 | | | | | | | |
| Antony Park Construction - Design | 2016 | 8(h) | | \$ 60,000 | | | | | | |
| Minuteman Bikeway Wayfinding Signs Implementation | 2016 | 8(i) | | \$ 120,000 | | | | | | |
| Town Pool Renovation Design and Engineering | 2016 | 8(j) | | \$ 166,000 | | | | | | |
| Park Improvements - Hard Court Resurfacing | 2016 | 8(k) | | \$ 61,000 | | | | | | |
| Granite Forest Pocket Park Construction at Lincoln Park | 2016 | 8(l) | | \$ 30,000 | | | | | | |
| Park Improvements - Athletic Fields | 2016 | 8(m) | | \$ 120,000 | | | | | | |
| Park and Playground Improvements | 2016 | 8(n) | | \$ 75,000 | | | | | | |
| Park and Playground Improvements | 2017 | 10(n) | | | \$ 60,000 | | | | | |
| Park Improvements - Athletic Fields | 2017 | 10(l) | | | \$ 125,000 | | | | | |
| Affordable Units Preservation - Pine Grove/Judge's Road | 2017 | 10(d) | | | \$ 428,000 | | | | | |
| Town Pool Renovation - Total cost is \$2,154,350; \$1,920,000 funded from Undesignated Fund Balance | 2017 | 10(m) | | | \$ 234,350 | | | | | |
| Public Grounds Irrigation Improvements - Total cost is \$100,000; \$60,000 funded from Free Cash | 2018 | 10(e) | | | | \$ 40,000 | | | | |
| Old Reservoir Bathhouse Design | 2018 | 10(i) | | | | \$ 75,000 | | | | |
| Athletic Facility Lighting | 2018 | 10(g) | | | | \$ 975,000 | | | | |
| Playground Replacement Program - Bowman School | 2018 | 10(f) | | | | \$ 302,000 | | | | |
| Willard's Woods Site Improvements | 2019 | 14(b) | | | | | \$ 138,273 | | | |
| Archives & Records Management | 2019 | 14(c) | | | | | \$ 20,000 | | | |
| Battle Green Master Plan Phase-3 | 2019 | 14(d) | | | | | \$ 253,394 | | | |
| 9 Oakland Street - Renovation and Adaptive Re-Use | 2019 | 14(e) | | | | | \$ 70,000 | | | |
| Park Improvements - Hard Court Resurfacing | 2019 | 14(h) | | | | | \$ 70,000 | | | |
| Park Improvements - Athletic Fields | 2019 | 14(i) | | | | | \$ 435,000 | | | |
| Playground Replacement Program - Bridge School | 2019 | 14(j) | | | | | \$ 302,000 | | | |
| Athletic Facility Lighting | 2020 | 10(g) | | | | | | \$ 450,000 | | |
| Park Improvements - Hard Court Resurfacing | 2020 | 10(h) | | | | | | \$ 100,000 | | |
| Park and Playground Improvements | 2020 | 10(i) | | | | | | \$ 95,000 | | |
| Park Improvements - Athletic Fields | 2020 | 10(j) | | | | | | \$ 370,000 | | |
| Parker Meadow Accessible Trail | 2020 | 10(k) | | | | | | \$ 551,026 | | |
| Park and Playground Improvements | 2021 | 10(a) | | | | | | | \$ 170,000 | |
| Park Improvements - Athletic Fields | 2021 | 10(b) | | | | | | | \$ 155,000 | |
| Playground Enhancements - Pour-in-Place Surfaces | 2021 | 10(d) | | | | | | | \$ 150,000 | |
| Park and Playground Improvements Supp. (Special Town Meeting, 11/9/2021) | STM | 6(a) | | | | | | | \$ 75,000 | |
| Parker Meadow Accessible Pathway Supp. (Special Town Meeting, 11/9/2021) | STM | 6(b) | | | | | | | \$ 235,750 | |
| Playground Enhancements - Poured-in-Place Surfaces | 2022 | 10(d) | | | | | | | | \$ 1,459,591 |

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

| | Authorization | | FY2016 Actual | FY2017 Actual | FY2018 Actual | FY2019 Actual | FY2020 Actual | FY2021 Actual | Adopted | Recommended |
|--|---------------|---------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | ATM | Article | | | | | | | FY2022 Budget | FY2023 Budget |
| Park Improvements - Hard Court Surfaces | 2022 | 10(f) | | | | | | | | \$ 2,500,000 |
| Park and Playground Improvements | 2022 | 10(g) | | | | | | | | \$ 200,000 |
| Park Improvements - Athletic Fields | 2022 | 10(h) | | | | | | | | \$ 250,000 |
| Lincoln Park Master Plan | 2022 | 10(i) | | | | | | | | \$ 100,000 |
| Annual Administrative Expenses | | | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 |
| CPA Debt Service - Marrett Rd. Purchase | | | \$ 1,065,100 | \$ 1,028,100 | \$ 991,100 | \$ 554,100 | \$ 357,100 | \$ 455,100 | \$ 190,000 | \$ 35,500 |
| CPA Debt Service - Cary Memorial Building Construction | | | \$ 899,459 | \$ 889,600 | \$ 869,800 | \$ 838,400 | \$ 812,200 | \$ 786,000 | \$ 759,800 | \$ 802,635 |
| CPA Debt Service - Community Center Renovation | | | | | | \$ 47,166 | | | | |
| CPA Debt Service - Center Track and Field Reconstruction | | | | | | | \$ 954,945 | \$ 999,580 | | |
| subtotal - appropriations | | | \$ 3,437,917 | \$ 2,699,700 | \$ 2,858,250 | \$ 2,981,666 | \$ 3,562,912 | \$ 3,956,706 | \$ 1,885,550 | \$ 5,497,726 |
| Close to Year-End Surplus Available for Appropriation | | | \$ 95,683 | \$ 1,010,371 | \$ 993,488 | \$ 1,364,544 | \$ 1,203,859 | \$ 1,074,368 | \$ 4,105,711 | \$ 197,474 |

Appropriations from Undesignated Fund Balance (year-end surplus available for appropriation)

| | | | | | | | | | | |
|---|---------------|-------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Town Pool Renovation - total cost is \$2,154,350; \$234,350 funded from Unbudgeted Reserve | 2017 | 10(m) | | | \$ 1,920,000 | | | | | |
| Lowell Street - Farmview Affordable Housing Supplemental Funds | 2018 | 10(j) | | | | \$ 800,000 | | | | |
| Old Reservoir Bathhouse Renovation | 2019 | 14(g) | | | | | \$ 620,000 | | | |
| Land Acquisition - 39 Highland Ave - Total acquisition costs \$3,560,000; \$880,000 from Open Space Reserve, \$2,680,000 from Undesignated Fund Balance | STM 2020-3 | 7 | | | | | | \$ 2,680,000 | | |
| CPA Debt Service (Supplemental) - Cary Memorial Building | 2015 | 30 | \$ 1,000,960 | | | | | | | |
| CPA Debt Service (Supplemental) - Community Center | STM | 5 | | \$ 40,000 | | | | | | |
| CPA Debt Service - Center Track and Field | | | | | | | | \$ 951,864 | | |
| Center Playground Bathrooms and Maintenance Building Renovation | 2022 | 10(e) | | | | | | | | \$ 915,000 |
| LexHAB: 116 Vine Street Construction Funds (Total cost is \$5,300,000; \$2,000,000 funded from Community Housing.) | 2022 | 10(k) | | | | | | | | \$ 3,300,000 |
| Total | | | \$ 1,000,960 | \$ 40,000 | \$ 1,920,000 | \$ 800,000 | \$ 620,000 | \$ 3,631,864 | \$ - | \$ 4,215,000 |
| Total Appropriations | | | \$ 6,168,920 | \$ 3,815,118 | \$ 7,034,493 | \$ 5,747,216 | \$ 5,483,412 | \$ 9,887,089 | \$ 2,995,300 | \$ 13,408,191 |

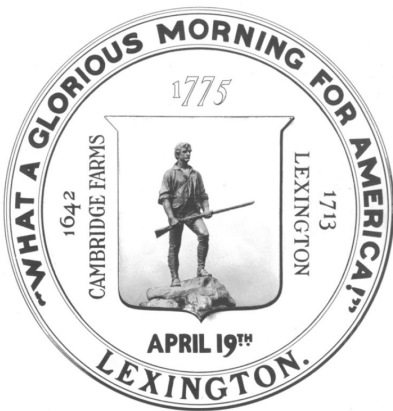
Community Preservation Fund - Historical Debt Service Summary*

| Project Description: | FY2016 Actual | FY2017 Actual | FY2018 Actual | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Projected | FY2023 Budgeted |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Wright Farm | \$ 424,800 | \$ 410,050 | \$ 395,300 | \$ 380,550 | \$ 365,800 | \$ 351,050 | \$ 339,250 | \$ 324,500 |
| Marrett Road Purchase | \$ 1,065,100 | \$ 1,028,100 | \$ 991,100 | \$ 954,100 | \$ 917,100 | \$ 880,100 | \$ 850,500 | \$ 808,500 |
| Cary Memorial Building Construction | \$ 1,900,419 | \$ 889,600 | \$ 869,800 | \$ 838,400 | \$ 812,200 | \$ 786,000 | \$ 759,800 | \$ 772,208 |
| Community Center Renovation | \$ - | \$ 40,000 | \$ - | \$ 47,166 | \$ - | \$ - | \$ - | \$ 30,427 |
| Center Track and Field Reconstruction | \$ - | \$ - | \$ - | \$ - | \$ 954,945 | \$ 1,906,811 | \$ - | \$ - |
| Total CPA Debt Service | \$ 3,390,319 | \$ 2,367,750 | \$ 2,256,200 | \$ 2,220,216 | \$ 3,050,045 | \$ 3,923,961 | \$ 1,949,550 | \$ 1,935,635 |

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Appendix D: Glossary



Glossary

ABATEMENT - An Abatement is a reduction of a tax liability. The Board of Assessors grants abatements for real estate and personal property taxes in cases where an individual's assessed valuation is determined to be in excess of fair market value.

ACCRUAL BASIS FOR ACCOUNTING - A method of accounting that recognizes revenue when earned, rather than when collected, and recognizes expenses when incurred, rather than when paid. In Massachusetts, cities and towns must use this basis of accounting for the audited financial statements of Enterprise funds. (Also see Modified Accrual Basis of Accounting).

APPROPRIATION - An authorization granted by Town Meeting to make expenditures and to incur obligations for specific purposes. Appropriations for any expenditure specify dollar amounts, funding sources, and a period of time within which the funds must be spent. Any funds not expended within the specified time (usually one fiscal year) revert to the Unreserved Fund Balance.

APPROPRIATED BUDGET - As used in fund summaries and department summaries within the budget document, represents the current year budget as originally adopted by Town Meeting. It does not include prior year encumbrances.

ARTICLE - An article or item on the Town Warrant. There are four standard financial articles that appear in the Warrant every year: the Operating Budget Article; an Article for "Supplementary Appropriations for the Current Fiscal Year" (the current fiscal year was appropriated at the previous year's Town Meeting); an Article for Prior Years' Unpaid Bills; and an Article for supplementary appropriations for previously authorized capital improvement projects. "New" capital project requests and other special items generally appear as individual articles without a predetermined order.

ARTICLE TRANSFERS - Projects from previous year Town Meeting article appropriations occasionally have unexpended balances not required once the project is complete. The unexpended balance becomes available for future Town Meeting appropriation.

ASSESSED VALUATION - The valuation of real estate or other property determined by the Town Assessor for tax levying purposes. The Commonwealth certifies the values and methodology in determining values every five years.

ASSETS - Property, plant and equipment owned by the Town.

AUDIT - An examination of the town's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool for evaluation of the fiscal performance of a community.

BUDGETARY FUND BALANCE (also FREE CASH) - Remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax recapitulation sheet, and unspent amounts in budget line-items. Unpaid property taxes and certain deficits reduce the amount that can be certified as free cash. The calculation of free cash is based on the balance sheet as of June 30, which is submitted by the Comptroller. Free cash is not available for appropriation until certified by the Director of Accounts at the Department of Revenue.

BOND - A written promise to pay a specified sum of money - called the face value or principal amount - at a specified date in the future, called the maturity date(s), together with periodic interest at a specified rate. The difference between notes, usually one year or two years in length, and a bond is that the latter runs for a longer period of time. State statute and the Select Board establish the length of a bond repayment.

BOND ANTICIPATION NOTE (BAN or Note) - A temporary note issued for no more than one or two years. This is commonly used to defer the initial pay down of debt or to accommodate reimbursement for borrowed notes from a private source or other governmental entity.

BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for a given period with proposed means of financing. Lexington's budget is a financial plan that is established for a single fiscal year that begins on July 1 and ends on June 30.

BUDGET MESSAGE (Town Manager's Transmittal Letter) - The opening section of the budget that provides the Select Board, Town Meeting Members, and the general public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, and the recommendations of the Town Manager.

CAPITAL EXPENDITURE - A major, non-recurring expenditure involving land acquisition, construction or major rehabilitation of a facility, or purchase of equipment costing \$25,000 or more with a useful life of five years or more.

CAPITAL IMPROVEMENT PROGRAM (CIP) - A financial planning and management tool that identifies public facility and equipment requirements, presents these requirements in order of priority, and schedules them for funding and implementation.

CEMETERY FUND - See Special Revenue Fund.

CHAPTER 90 - Massachusetts General Laws Chapter 90, Section 34 authorizes the Commonwealth to allocate funds to municipalities for highway construction, preservation and improvement projects that create or extend the life of capital facilities. Routine maintenance operations such as pothole filling and snow and ice removal are not covered. The formula for determining the Chapter 90 level of funding is based on a municipality's miles of public ways, population and level of employment. Municipalities receive Chapter 90 funds for pre-approved projects on a reimbursement basis.

CHERRY SHEET - The State allocates a portion of generated revenue to municipalities each year for education and general governmental expenditures. The amount of state aid each community will receive is itemized in a financial statement printed on cherry colored paper (thus the name). The amount of revenue is a function of the State budget, which begins July 1st. Towns usually receive notification in late summer, subsequent to the beginning of the fiscal year.

COMMUNITY PRESERVATION ACT (CPA) - A local acceptance statute approved by Lexington voters in 2006. The purpose of the CPA is to fund open space, affordable housing, historic preservation and recreation projects that meet the eligibility criteria of the Act. Funding for projects comes from an annual property tax surcharge of up to three percent, which is the percentage adopted in Lexington. The local surcharge is matched by State funds collected as part of the deeds excise tax. The matching funds have ranged from 100% in 2007 to 17.8% in 2017.

COMMUNITY PRESERVATION COMMITTEE (CPC) - This nine-member appointed Committee reviews projects and determines their eligibility under the CPA. Projects that are approved by the Committee are then recommended to Town Meeting, which has the final vote on appropriating funds for each project. Members of the CPC are appointed by the Select Board (3), Planning Board, Conservation Commission, Recreation Committee, Housing Authority, Housing Partnership and Historical Commission.

COMPETITIVE BIDDING PROCESS - The process following State law requiring that for purchases of \$50,000 or more a Town must advertise, solicit and publicly open sealed bids from prospective vendors. After a review period, the Town Manager then awards a contract to the successful bidder.

CONTINUING BALANCE ACCOUNTS - At the end of a fiscal year, any unexpended balance in a continuing balance account carries forward to the next year as a type of reserve against future liabilities related to the account. Massachusetts General Laws provides for a number of continuing balance accounts including those for: workers compensation claims, property and liability uninsured losses, and unemployment compensation claims. A continuing balance account is also typically used to fund compensated absence liabilities, facility repair accounts and equipment replacement accounts.

DEBT EXCLUSION - The amount of taxes assessed in excess of the Proposition 2½ levy limit for the payment of debt service costs, subject to a popular referendum. Two-thirds of the Select Board and a majority of citizens voting must approve the exclusion. These funds are raised to retire the debt service for the project. They are not added to the tax levy limit for the following fiscal year.

DEBT SERVICE - Payment of interest and principal on an obligation resulting from the issuance of bonds.

DEPARTMENT - A division of the Town that has overall management responsibility for an operation or group of related operations within a functional area.

DEPRECIATION - 1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, and inadequacy of obsolescence. 2) That portion of the cost of a capital asset that is charged as an expense during a particular period. Depreciation is based on historic costs, not replacement value.

ELEMENT - The smallest unit of budgetary accountability, which encompasses specific and distinguishable lines of work performed for the purpose of accomplishing a function for which the Town is responsible.

ENCUMBRANCE - To encumber funds means to set aside or commit funds for a future expenditure. Encumbrances include obligations in the form of purchase orders, contracts or salary commitments, which are chargeable to an appropriation and for which a part of the appropriation is reserved.

ENTERPRISE FUND - An account supported by user fees for a specific service that the Town operates as a separate "business" (e.g. Water, Sewer, Recreation). Enterprise funds do not depend on taxes for operating revenue as user fee revenue and expenses are balanced over the long run. Budgeting for all Enterprise Funds is done on a Generally Accepted Accounting Practices (GAAP) basis.

EXPENDITURE - Decrease in net financial resources for the purpose of acquiring and providing goods and services.

EXPENSES - Outflows or other using up of assets or incurring of liabilities during a period from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations. Expenses consist of the following objects of expenditure: Utilities, Supplies and Materials, Contractual Services, and Equipment.

FINES & FORFEITURES - Revenue collected from court fines, penalty charges for overdue taxes along with non-criminal fines are included in this category.

FREE CASH - see Budgetary Fund Balance.

FUND BALANCE - The excess of assets over liabilities.

FUNDING SOURCE - The specifically identified funds allocated to meet budget requirements/ expenses.

GENERAL FUND - Revenues derived from the tax levy, state aid, local receipts and available funds are considered General Fund revenues. The General Fund is distinguished from Enterprise Funds and Special Revenue Funds.

GFOA - Government Finance Officers Association of the United States and Canada. The GFOA is a professional organization of governmental finance officers.

GRANT - A contribution by one government unit or outside agency to another governmental unit. The contribution is usually made for a specific purpose but is sometimes for general purposes.

INVESTMENT INCOME - The Town earns interest on cash held in savings accounts and invested in short-term securities. The investment goal is to ensure that all funds are invested in short-term, risk-averse investments. The Treasurer is very restricted as to the instruments in which investments can be made. The amount of investment income is a function of the amount of funds invested and the interest rate.

LIABILITY - Debt or other legal obligation which must be paid, renewed or refunded at some future date, but does not include encumbrances.

LOCAL RECEIPTS - A category of revenue sources including municipal and school department charges for services, investment income, fines and forfeitures, building permits and excise taxes. These revenues are not considered part of the Proposition 2½ Tax Levy.

MASSACHUSETTS SCHOOL BUILDING AUTHORITY (MSBA) - A program of the Commonwealth of Massachusetts for the purpose of assisting municipalities in the reconstruction and renewal of its public schools.

MODIFIED ACCRUAL BASIS FOR ACCOUNTING - A method of accounting that recognizes revenue when it is actually received and recognizes expenditures when a commitment is made. In Massachusetts, cities and towns must use this basis for accounting for the general government.

MOTOR VEHICLE EXCISE - All Massachusetts vehicle owners who have their vehicle(s) registered in the State of Massachusetts pay an annual motor vehicle excise tax to the city or town in which they reside. The Registry of Motor Vehicles creates a listing of all vehicles registered in Lexington and the book value assigned to each vehicle. The Town uses this information to bill all owners an annual tax equal to 2½ percent or \$25 for each \$1,000 of the vehicle's value.

MWRA - Massachusetts Water Resources Authority, from which the Town purchases water at a wholesale rate in the form of annual assessments to the Water and Wastewater (Sewer) departments.

OPEB - Other Post-Employment Benefits refer to the Town's fiscal obligation to provide health, dental and life insurance benefits to qualified retirees. Over the next 30 years, the Town's OPEB liability is approximately \$150 million. In FY2009, the Town began funding an OPEB Trust Fund for the purpose of reducing the liability. (See page C-3 for the current balance in the Fund.)

OPERATING BUDGET - The portion of the budget that pertains to daily operations, which provides basic services for the fiscal year. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel and the proposed means of financing them.

OPERATING EXPENDITURE - An ongoing or recurring cost of performing a function or providing a service. Operating expenditures include personal services, supplies and materials, utilities, contractual services, minor equipment, and debt service.

OPERATING OVERRIDE - An action taken by the voters of the town to exceed the limit placed on tax revenue growth by the State tax limitation law known as Proposition 2½. The tax levy limit can be exceeded only if a majority of residents voting approve an override. This sum is then added to the base levy for the next fiscal year and becomes a permanent addition to the tax levy limit.

OTHER EXCISE (Hotel/Motel, Meals and Jet Fuel) - Lexington hotels and motels charge an 11.7% room tax to guests, which includes a 6% local option. Lexington restaurants collect a 7.0% sales tax, which includes a 0.75% local option. A portion of the jet fuel tax collected at Hanscom airport is distributed to Lexington. These revenues are collected by the Department of Revenue and distributed to the Town of Lexington on a quarterly basis. (See page II-4 of the Revenue Section).

OTHER FEES AND CHARGES - Revenue is received from fees or charges by the Building & Zoning, and Planning Departments, and the Department of Public Works. Also included in this category are collections from ambulance fees, municipal liens, and building rentals.

OVERLAY - The amount reserved for funding property tax abatements and exemptions granted by the Board of Assessors.

PARKING FUND - Revenue from electric vehicle (EV) charging stations, town parking meters, pay-by-phone, and parking permits are deposited into the Parking Fund. This fund helps offset the costs of Police Department personal services and parking meter expenses, and Department of Public Works expenses directly related to parking lot maintenance and EV charging station maintenance and operations.

PERSONAL SERVICES - A line on the program, subprogram and element sheets which refers to the total of the following objects of expenditure: Wages, Overtime, and Other Compensation.

PROGRAM - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the Town is responsible.

PROPOSITION 2½ - A tax limitation measure passed by Massachusetts voters in 1980 which limits the growth of the total property tax levy to 2.5% per year. In other words, the total revenue allowed to be raised through real estate and personal property taxes cannot increase by more than 2.5% from one fiscal year to the next. New construction values are in addition to this limit. Two provisions within Proposition 2½ allow the citizens of a community by popular vote to authorize the Town to raise taxes above the tax levy limit: an **operating override** or a **debt exclusion**. (See page xxiii of the Town Manager's Report for an Override History.)

RECREATION FEES - Users of Town recreational facilities and teams participating in Town sponsored sports pay fees for these services. Revenue collected from these fees covers the costs of maintaining facilities, providing coaches and referees, and recreation program management, as well as some Recreation related capital improvements. These recreation programs are managed through a Recreation Enterprise Fund.

RESERVE FUND - An amount set aside annually within the budget of a city or town to provide a funding source for "extraordinary and unforeseen" expenditures. In a town, the Finance (or Appropriation) Committee can authorize transfers from this fund. (See page C-4 for the a history of the funding and use of Lexington's Reserve Fund.)

RETAINED EARNINGS - The equity account reflecting the accumulated earnings of the enterprise funds.

REVENUE - Budgetary resources. The various revenues the Town receives are listed in the Revenue Summary in the Budget Overview section. (See page II-4.)

SCHOOL REVENUE - Revenue received by Lexington Public Schools from athletic fees, as well as applicable bus transportation fees.

SENIOR MANAGEMENT TEAM - A group of top managers including department heads from ten departments and the Town Manager's Office.

SEWER & WATER CHARGES - The Town operates Water and Sewer Enterprise Funds to manage these municipal operations. Users of sewer and water services provided by the Town pay charges depending upon metered usage. Revenue received from charges for sewer and water services is used to fully support the costs of utility operations, such as Massachusetts Water Resources Authority (MWRA) assessments, debt service obligations, personal service costs, and capital projects. Charges for services are based on a three-tier block rate structure corresponding to usage. Charges rise as usage increases. The Town pays the MWRA assessments to supply water and dispose of Town sewage.

SPECIAL REVENUE FUND - A group of accounts that are funded by revenues from other sources such as the Parking, Cemetery, and Public Education Government (PEG) Access Funds.

STABILIZATION FUND - Massachusetts General Law Ch.40, Sec. 5B, allows a municipality to appropriate in any year an amount not exceeding ten percent of the amount raised in the preceding fiscal year; the aggregate amount in the fund shall not exceed ten percent of the equalized valuation of the municipality. The treasurer shall be custodian of the fund and may invest the proceeds legally; any interest earned shall remain with the fund. Money from the Stabilization Fund may be appropriated for any lawful purpose by a two-thirds vote of Town Meeting. In addition to the General Stabilization Fund, the town has stabilization funds for specific purposes, including the Transportation Demand Management Fund, Traffic Mitigation Fund, Special Education Stabilization Fund, and the Capital Stabilization Fund. (See page C-3 for the current balances in the Town's Stabilization Funds.)

TAX LEVY - The total amount to be raised through real estate and personal property taxes. Lexington property owners pay taxes to the Town based on the assessed value of their real and/or personal property. Each year the Select Board conducts a tax classification hearing to determine a tax rate. The Town Assessor makes adjustments to real estate values in order to properly reflect fair market value. In addition to real estate, businesses may also pay a personal property tax (set at the commercial rate) based on the value of their professional equipment, furniture and fixtures. The amount of taxes a property owner pays is determined by multiplying the applicable tax rate by the valuation. For example, if the tax rate is \$13 and a property's assessed value is \$1,000,000, the property owner will pay \$13 times 1,000 ($\$1,000,000/1,000$), or \$13,000. Tax levy revenues are the largest source of funding for the Town.

TAX LEVY LIMIT - The maximum amount that can be raised by a municipality within Proposition 2½.

TAX RATE - The amount of tax levied for each \$1,000 of assessed valuation.

TRANSPORTATION NETWORK COMPANY (TNC) SPECIAL REVENUE FUND - A 2018 state law began regulating Transportation Network Companies (TNCs - e.g., Uber and Lyft). Part of that law established a surcharge of \$0.40 per ride, of which \$0.20 is returned to the community where the ride originated. Those funds are distributed by the state each year, and must be appropriated by Town Meeting for projects that offset the impact of the TNCs.

USER FEES - Fees paid for direct receipt of a public service by the user or beneficiary of the service.