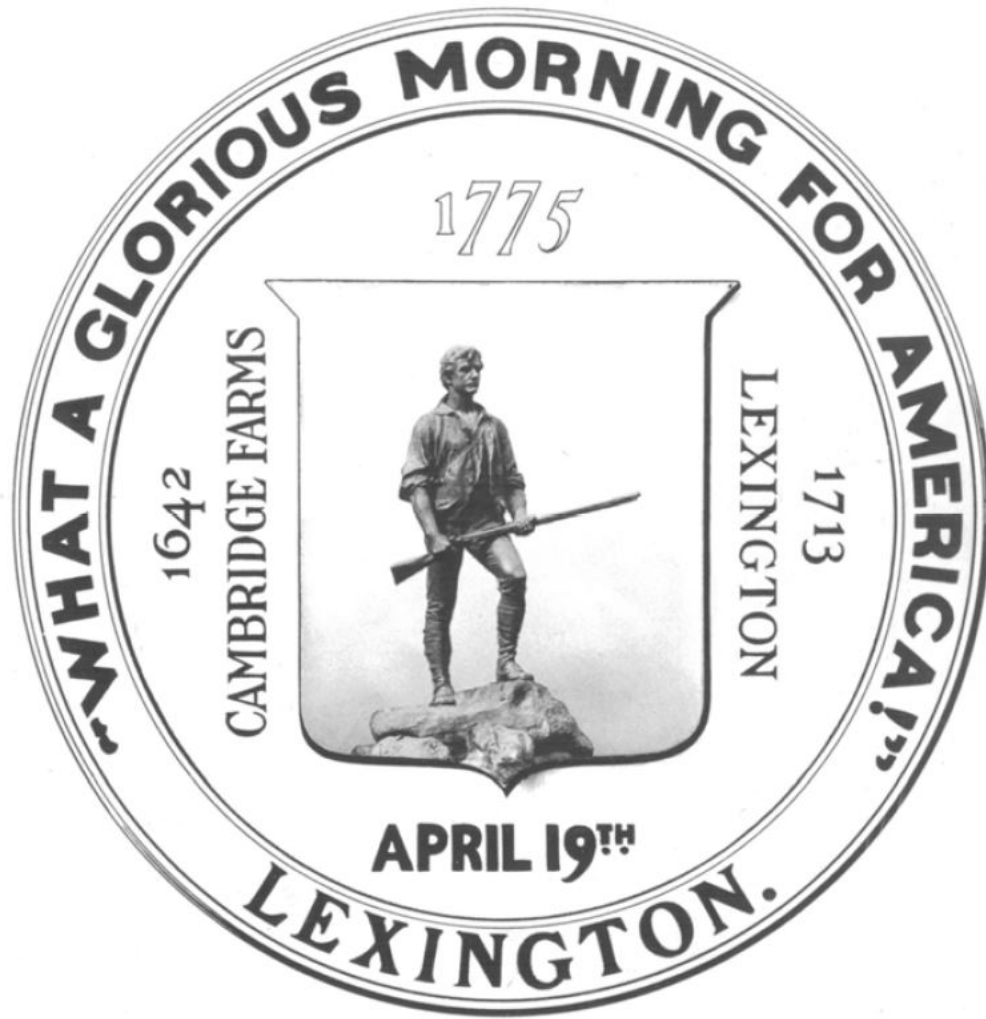


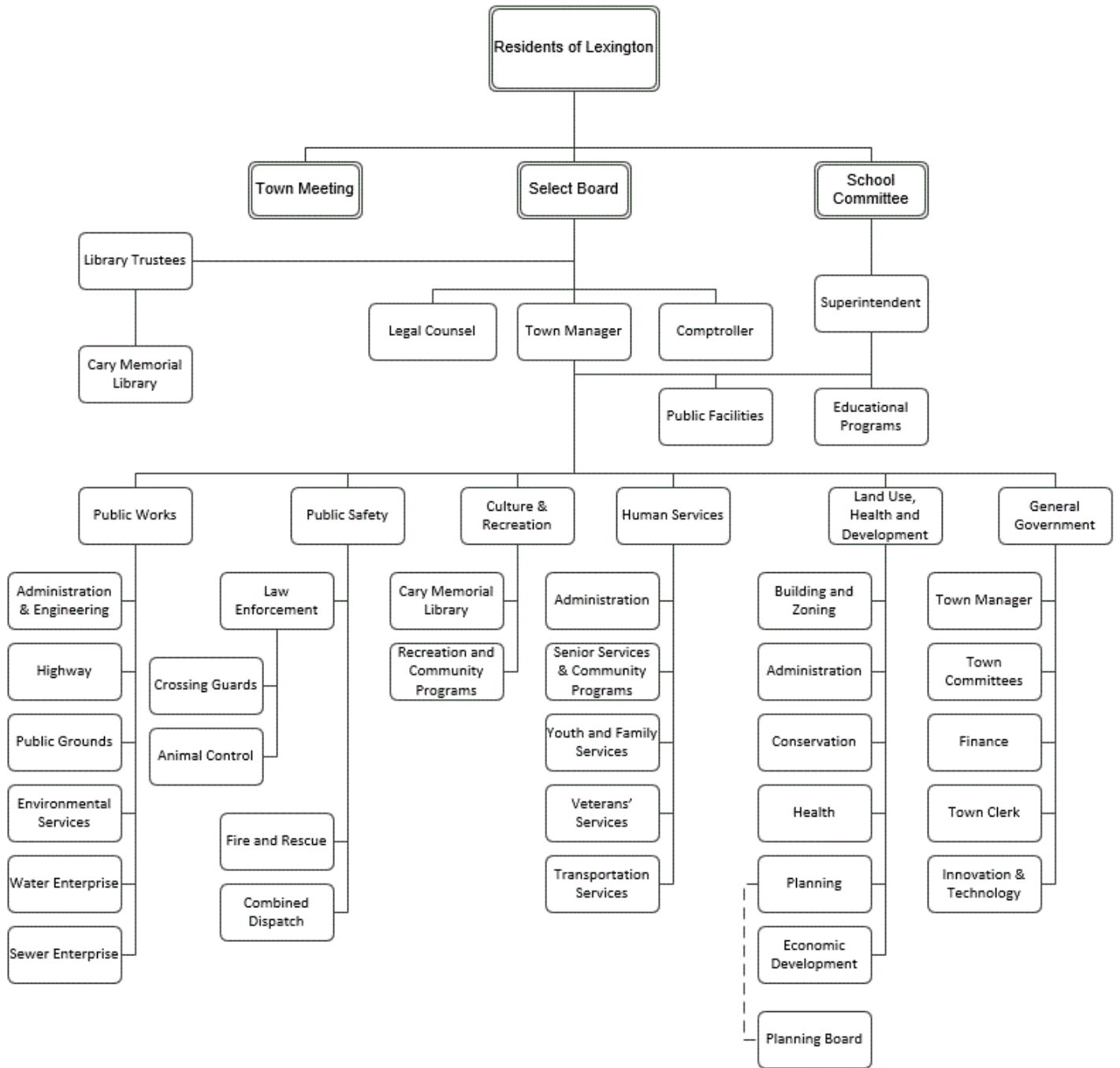
Town of Lexington,
Massachusetts



Fiscal Year 2022
Recommended
Budget & Financing Plan
February 22, 2021



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 22, 2021

**To: Appropriation Committee
Capital Expenditures Committee
Town Meeting Members**

The Select Board has approved the FY2022 Recommended Budget and Financing Plan and, on February 8, 2021, 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 third 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, 2021 to June 30, 2022.



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 FY2022 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 2022 general fund budget totals \$251,116,043, an increase of \$16,534,190 or 7.0% over the fiscal year 2021 adopted budget. The Select Board has approved this FY2022 Recommended Budget and Financing Plan. The recommended budget is balanced and will not require a Proposition 2½ override vote.

Overview - FY2022 Recommended Budget and Financing Plan

The Select Board held a fiscal guideline summit in September 2020, and two 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 2022 budget.

The Select Board established a goal of presenting a budget for FY2022 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 11, 2021, 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 FY2022 recommended operating and capital budgets on February 8, 2021.

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

- \$2,000,000 held aside from Free Cash to guard against unexpected decreases in State Aid, local receipts or increases in operating expenses due to the pandemic;
- \$500,000 appropriated from the Special Education Stabilization Fund to support operations at the Lexington Public Schools above the FY2022 revenue allocation;
- \$3,217,674 be appropriated into the Capital Stabilization Fund for future tax relief related to debt service for within levy and excluded debt service;
- \$2,800,000 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;
- \$1,885,486 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
- \$2,669,859 from Free Cash to support the operating budget.

These recommendations are largely possible due to a concerted effort to limit budget increases in FY2022, and the Town's strong undesignated fund balance (i.e., free cash of \$17,338,059) position at the end of FY2020. The increased amount of free cash is available due to the decision to forego contributions to the Capital Stabilization Fund and the Other Post Employment Benefits Stabilization Fund in the FY2021 budget in order to preserve financial flexibility during the pandemic, and higher amounts of expense turn-backs due to reduced operations in the Spring of 2020.

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

In the long-term, management has committed to phasing-out the use of Free Cash for the operating budget, however this amount increased by \$469,859 from the prior year in order to cover some expected shortfalls in local receipts that are directly tied to the pandemic.

Due to the availability of excess Free Cash, the preliminary recommendation to use the General Stabilization Fund to balance the FY2022 budget has been removed.

Table 1 provides a summary of the FY2022 General Fund budget, by cost center.

Table 1	FY2021 Appropriated	FY2022 Recommended Budget	\$ Change	% Change
Education (LPS and Minuteman HS)	\$ 121,220,803	\$ 126,507,019	\$ 5,286,216	4.4%
Shared Expenses*	\$ 62,581,456	\$ 64,640,036	\$ 2,058,581	3.3%
Municipal Departments	\$ 41,598,660	\$ 43,000,887	\$ 1,402,227	3.4%
Subtotal - Operating Budget	\$ 225,400,919	\$ 234,147,942	\$ 8,747,024	3.9%
Cash Capital	\$ 7,812,019	\$ 8,496,491	\$ 684,472	8.8%
Other	\$ 1,368,916	\$ 8,471,610	\$ 7,102,694	518.9%
Total - General Fund	\$ 234,581,853	\$ 251,116,043	\$ 16,534,190	7.0%
Projected Revenue	\$ 234,581,853	\$ 251,116,043	\$ 16,534,190	7.0%
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 FY2022 budget is responsive to many of the priorities identified by the Select Board during its annual goal-setting meetings, including:

- **Fiscal Stability:** By delaying contributions to the Capital Stabilization and OPEB Funds in FY2021, the Town preserved fiscal flexibility for future developments. This budget sets aside \$2.0 million of Free Cash to guard against unanticipated revenue shortfalls or expenses related to the pandemic in FY2022. In addition, accessing the Special Education Stabilization Funds in FY2022 allows the school department to maintain needed service levels without relying on an operating budget override.
- **Diversity, Equity and Inclusion (DEI):** In response to feedback received during extensive public listening sessions, a new position has been created in the Town Manager's Office for a Chief Equity Officer (exact title to be determined), including salary, benefits and a small expense budget.
- **Construction Funds for the Police Station Facility:** Town staff continues to move this project forward on design and a construction recommendation. This project will not be presented to the 2021 Annual Town Meeting, but is expected to come forward at a future Special or Annual Town Meeting. This budget assumes the earliest vote would be in Fall 2021.
- **Support for Public Safety Staff:** Within their base budgets, both the police and fire departments have embarked on a multi-year program to replace mobile radio equipment that is nearing the end of its useful life. This will ensure that our police officers and firefighters are able to effectively communicate during emergencies. In addition, a capital recommendation supports replacement of the Fire department's Self-Contained Breathing Apparatus (SCBA)

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

equipment, which is nearing the end of its useful life. Replacement will ensure the safety of our firefighters when entering buildings.

- **Pedestrian, Bicycle and Vehicle Safety on Town Roads:** Overall, \$4,101,674 is recommended for the construction of new Sidewalks; existing Sidewalk Improvements; and Street Improvements.
- **Sustainability:** A capital item funds two additional electric vehicle charging stations at town buildings to ensure that the infrastructure will be in place once some vehicles within the town's fleet are replaced with electric vehicles. In addition, one of the police cruisers scheduled for replacement in FY2022 will be a hybrid vehicle.
- **Community Mental Health Programs:** The Town is continuing to work on a cooperative program between the Municipal and School Departments related to the joint mental health initiative including an ongoing contract with the William James Interface Mental Health Referral Services, which is shared between the Municipal and School Department budgets.
- **20/20 Vision Survey:** Town staff and the Vision for Lexington Committee (Formerly the 2020 Vision Committee) will undertake a community survey to update and plan for the future as part of the Town's continued efforts to address changing community dynamics.

In addition to providing for the specific priorities noted above, the FY2022 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 FY2022 Budget in Brief: Financing Plan, Expenditures, Reserves

While the Town's FY2022 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 FY2022 projected general fund revenues are allocated to the School Department and 26% are allocated to municipal departments. For FY2022, the Revenue Allocation model allocated a total of \$6.13 million in new revenue, or 3.8% more than FY2021, of which \$4.5 million was allocated to the School Department and \$1.6 million to municipal departments. In addition to the 74% allotment, the School Department is drawing \$500,000 from the Special Education Stabilization Fund for FY2022.

b. Revenue Projection: In FY2022, General Fund revenues are projected to increase by \$16.5 million or 7.0% over FY2021 budgeted revenues. By way of comparison, revenue growth in recent years has been:

- FY2021: 3.6% (estimated)
- FY2020: 3.3% (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)

It should be noted that the 7.0% increase is misleading due to \$3.25 million of free cash that is being carried forward from FY2021 into FY2022 as a reserve for unanticipated expenses or revenue shortfalls caused by the pandemic. If not for those one-time revenues, Available Funds for FY2021 would be \$15.14 million and \$17.36 million in FY2022, and the resulting growth in new General Fund revenue would be \$10.07 million, or 4.2%.

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

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

Table 2	FY2021 Tax Recap	FY2022 Projected	\$ Change	% Change	% of Total Revenue
Property Tax Revenue	\$ 194,329,879	\$ 202,025,697	\$ 7,695,818	4.0%	80.5%
State Aid	\$ 16,334,701	\$ 16,515,527	\$ 180,826	1.1%	6.6%
Total Local Receipts	\$ 12,054,341	\$ 12,774,539	\$ 720,198	6.0%	5.1%
Available Funds	\$ 11,887,351	\$ 20,575,379	\$ 8,688,028	73.1%	8.2%
Revenue Offsets	\$ (1,773,854)	\$ (2,207,455)	\$ (433,601)	24.4%	(0.9)%
Enterprise Receipts	\$ 1,749,435	\$ 1,432,356	\$ (317,079)	(18.1)%	0.6%
Gross General Fund Revenues	\$234,581,853	\$251,116,043	\$16,534,189	7.0%	100.0%
Less - Revenue Set-Aside for Designated Expenses	\$ 9,180,935	\$ 16,968,101	\$ 7,787,166	84.8%	6.8%
Net General Fund Revenues	\$225,400,918	\$234,147,942	\$ 8,747,023	3.9%	93.2%

c. Revenue Sources:

Property Tax Revenue and Assessed Valuations – The property tax remains the Town’s primary revenue source, comprising 80.5% of total projected revenues in FY2022 (**Table 2**). Although residential property makes up 88.3% of the total assessed value in Lexington, residential property owners currently pay only 79.5% 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*
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
FY2012	\$ 8,026,687,320	0.7%	\$ 128,615,714	5.2%	no

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

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

Table 4	% Assessed Valuation		% of Property Tax Levy	
	Residential	All Commercial	Residential	All Commercial
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%
FY2012	86.9%	13.1%	77.7%	22.3%

State Aid – State Aid, which is estimated at 6.6% of total revenues, is also an important source of revenue for the Town. State Aid is currently projected to increase by 1.1% for FY2022. This modest increase, compared to prior years, is due to the State fully funding Lexington's Chapter 70 (education aid formula) requirements beginning in FY2018. While the Legislature will not likely vote the FY2022 State budget until after the close of Town Meeting, the Governor's proposed budget provides for a modest increase in the Town's State Aid. The Town's projections match the Governor's budget.

Table 5 below provides a recent history of the Town's State Aid including the FY2022 projection.

Table 5	FY2018	FY2019	FY2020	FY2021	FY2022
Chapter 70-Education Unrestricted	\$ 13,998,894	\$ 14,217,984	\$ 14,456,349	\$ 14,438,034	\$ 14,647,494
Charter School Reimbursement	\$ 7,895	\$ 6,532	\$ 2,446	\$ 80,755	\$ 24,261
General Government Unrestricted	\$ 1,531,029	\$ 1,584,615	\$ 1,627,400	\$ 1,627,400	\$ 1,684,359
Veteran's Benefits & Exemptions	\$ 151,072	\$ 154,023	\$ 117,802	\$ 124,689	\$ 95,590
Offsets (School Lunch & Library)	\$ 48,162	\$ 50,296	\$ 51,915	\$ 63,823	\$ 63,823
Total	\$ 15,737,052	\$ 16,013,450	\$ 16,255,912	\$ 16,334,701	\$ 16,515,527
\$ Change from Prior Year	\$ 2,427,164	\$ 276,398	\$ 242,462	\$ 78,789	\$ 180,826
% Change from Prior Year	18.2%	1.8%	1.5%	0.5%	1.1%

I. Expenditures:

Budget highlights include:

- a. Lexington Public Schools: The FY2022 School Department proposed General Fund budget (net of grants and other receipts) is increasing by 4.2%. The Minuteman Regional High School budget (included in the Education line shown in Table 1) is increasing by 9.3%, largely driven by debt service associated with the new school building which opened in September 2019, and a 37% increase over two years in the number of students from Lexington attending Minuteman - from 52 in 2018-19, to 62 in 2019-20, and 71 in 2020-21.

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

- b. Municipal Departments: The municipal budget is increasing by 3.4%, largely the result of:
- contractual salary adjustments;
 - contractual increases for curbside trash and recycling pick-up and disposal, especially for recyclables;
 - hiring a Chief Equity Officer for the municipal departments in response to growing local and national concern;
 - hiring a dedicated Payroll Manager to process municipal and school payroll;
 - additional operating support for the Visitors Center;
 - shifting additional responsibility from the Department of Public Facilities (a shared expense) to the Department of Public Works (a municipal expense) for items related to the MS4 stormwater permit such as maintaining biobasins, and parking lot and storm drain cleaning on all school properties;
 - contractual increases for software licenses;
 - ongoing maintenance costs for a newly implemented automatic vehicle locating system at public works;
 - implementing a system to more efficiently track contract and staffing costs in a snow storm;
 - enhanced maintenance for the Minuteman bike path;
 - purchasing a hybrid police cruiser rather than the typical gasoline-powered models;
 - beginning to replace mobile radios for both police and fire;
 - purchasing more police uniforms than typical due to substantial new hires and internal promotions; and
 - supporting enhanced professional development for senior police officers.
- 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 4.6%.

The FY2022 health insurance budget to be presented to Town Meeting reflects no new school department positions, and 2 new municipal positions. 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.

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

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	
2021	269	913	1,182	1,302	2,484	79
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 \$531,500 in FY2020.

- d. Utilities/Fuel: Utility costs for FY2022, accounted for in the general and enterprise funds, are expected to increase by \$11,000 or 0.3%. Electricity is essentially level-funded; costs are expected to decrease once the new solar arrays are installed, but the timing and extent of the savings, with multiple overlapping variables, is difficult to project with any degree of accuracy. The cost of heating the tent at 173 Bedford St. at a sufficient level for the medical supplies on the ambulances has been removed, and ancillary heating costs for later uses will be reflected in the Natural Gas budget, which benefits from a long-term contract. Finally, Diesel/Gasoline reflects anticipated level costs under a regional consortium bid that will not be determined until Spring 2021.

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

Table 7	FY2019 Actual	FY2020 Actual	FY2021 Estimated	FY2022 Budgeted	FY21-22 \$ Change	FY21-22 % Change
Electricity	\$ 2,467,373	\$ 2,469,671	\$ 2,861,901	\$ 2,873,401	\$ 11,500	0.4 %
Heating Oil	\$ 3,214	\$ 2,453	\$ 2,500	\$ 3,000	\$ 500	20.0 %
173 Bedford Tent	\$ 52,299	\$ 89,000	\$ —	\$ —	\$ —	— %
Natural Gas	\$ 891,283	\$ 756,663	\$ 798,500	\$ 798,500	\$ —	— %
Diesel/Gasoline	\$ 358,638	\$ 279,277	\$ 409,288	\$ 408,288	\$ (1,000)	(0.2)%
Total	\$ 3,772,807	\$ 3,597,064	\$ 4,072,189	\$ 4,083,189	\$ 11,000	0.3 %

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

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.

Table 8 Townwide Solar Credits and Expenses

Town Facility	FY2017 Actual	FY2018 Actual**	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projection
Rooftop Solar Credits to Town	\$ 279,665	\$ 303,696	\$ 333,329	\$ 326,421	\$ 291,500	\$ 291,500
Rooftop PILOT*	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Rooftop Solar Payments to Vendor	\$ (162,343)	\$ (157,038)	\$ (159,033)	\$ (173,254)	\$ (165,000)	\$ (165,000)
Net Revenue subtotal	\$ 147,322	\$ 176,658	\$ 204,296	\$ 183,167	\$ 156,500	\$ 156,500
Hartwell Solar Revenue		\$ 647,232	\$ 720,493	\$ 691,986	\$ 670,000	\$ 670,000
Hartwell PILOT*		\$ 55,400	\$ 55,400	\$ 55,400	\$ 55,400	\$ 55,400
Hartwell Annual Lease		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Hartwell Solar Payments		\$ (355,257)	\$ (351,839)	\$ (385,512)	\$ (410,000)	\$ (390,000)
Net Revenue subtotal	\$ —	\$ 348,375	\$ 425,054	\$ 362,875	\$ 316,400	\$ 336,400
Total Net Revenue	\$ 147,322	\$ 525,033	\$ 629,350	\$ 546,042	\$ 472,900	\$ 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.

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*	\$ 9,969,806	\$ 1,153,350	\$ 21,888,607	\$ 20,660,444
Proposed Appropriation From (2021 ATM)	\$ —	\$ (500,000)	\$ —	\$ (2,800,000)
Proposed Appropriation Into (2021 ATM)	\$ —	\$ —	\$ 1,885,486	\$ 3,217,674
Projected Balance, July 1, 2021	\$ 9,969,806	\$ 653,350	\$ 23,774,093	\$ 21,078,118

*Reflects 12/31/2020 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.

FISCAL YEAR 2022 RECOMMENDED BUDGET AND FINANCING PLAN

The FY2022 budget includes a recommendation to continue to set aside funds for the Other Post-Employment Benefits fund (i.e., retiree health care) for the 14th consecutive year. The FY2022 budget proposes to use \$500,000 of Special Education Stabilization Funds to balance the school budget. Despite some initial concerns regarding lost revenue related to the pandemic, the overall budget is balanced without the use of the General Stabilization Fund.

Table 10 below provides a history of appropriations into and out of the Capital Stabilization Fund and recommendations for FY2022:

Table 10	FY2017	FY2018	FY2019	FY2020	FY2021 Appropriated	FY2022 Budget
Prior Year Balance	\$ 16,725,947	\$ 23,203,210	\$ 28,597,934	\$ 27,727,713	\$ 25,229,254	\$ 21,760,444
Appropriation into Capital Stabilization Fund	\$ 6,991,205	\$ 7,690,398	\$ 3,560,335	\$ 2,269,456	\$ —	\$ 3,217,674
Subtotal - Available for Appropriation	\$ 23,717,152	\$ 30,893,608	\$ 32,158,269	\$ 29,997,169	\$ 25,229,254	\$ 24,978,118
Appropriation from Capital Stabilization Fund						
Excluded Debt Service Tax Relief	\$ —	\$ (2,400,000)	\$ (4,500,000)	\$ (5,200,000)	\$ (3,500,000)	\$ (2,800,000)
Within Levy Debt Service Mitigation	\$ (710,000)	\$ (324,500)	\$ (573,500)	\$ —	\$ —	\$ —
Subtotal - Appropriation	\$ (710,000)	\$ (2,724,500)	\$ (5,073,500)	\$ (5,200,000)	\$ (3,500,000)	\$ (2,800,000)
Interest Income (<i>as of 12/31/19</i>)	\$ 196,058	\$ 428,826	\$ 642,944	\$ 432,085	\$ 31,190	
Projected Balance of Fund	\$ 23,203,210	\$ 28,597,934	\$ 27,727,713	\$ 25,229,254	\$ 21,760,444	\$ 22,178,118

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 FY2022 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 2021 Annual Town Meeting Warrant represent the capital portion of this year's recommended budget. For FY2022, a total capital budget of \$43.5 million is proposed.

Lexington's clear challenge for the next five years will be to meet the demands that school enrollments are placing on the Town's school facilities and thus, the operating and capital budgets.

Table 11 provides a summary of funding sources financing the Town's recommended capital plan for FY2022.

Table 11	Free Cash/ Tax Levy	Other Funding Sources	Debt	Total	Other*
General Fund	\$ 7,766,391	\$ —	\$ 5,411,475	\$ 13,177,866	\$ —
Excluded Debt Projects	\$ —	\$ —	\$ 25,651,792	\$ 25,651,792	\$ —
Other Funding & Chapter 90	\$ —	\$ 730,100	\$ —	\$ 730,100	\$ 977,917
Water Enterprise	\$ —	\$ 920,000	\$ 710,000	\$ 1,630,000	\$ —
Sewer Enterprise	\$ —	\$ 310,000	\$ 1,320,000	\$ 1,630,000	\$ —
Recreation Enterprise	\$ —	\$ 87,000	\$ —	\$ 87,000	\$ —
Community Preservation Act	\$ —	\$ 585,000	\$ —	\$ 585,000	\$ —
Total (all Funds)	\$7,766,391	\$ 2,632,100	\$33,093,267	\$43,491,758	\$ 977,917

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

The \$25.65 million in Excluded Debt Projects represents construction funding for the Police Station. This project is not on the 2021 Annual Town Meeting warrant, but may be requested at a Special Town Meeting in FY2022.

Table 12 provides a summary of the Town's cash capital plan for the period FY2015-2022.

Table 12	Cash Capital	Percent Change from Prior Year	Percent of Operating Budget
FY2022 Proposed	\$8,496,491	8.8%	3.4%
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%
FY2015 Appropriated	\$5,958,117	(13.9)%	3.3%

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

FISCAL YEAR 2022 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. Further, construction is being planned for recently approved projects such as the Center Streetscape improvement project, Westview Cemetery Building and infrastructure projects on Hartwell Avenue. 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 \$3,217,674 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 June 2020, and in June 2020 and January 2021 rated the Town's municipal bond offerings Aaa. The Town sold \$20.815 million of long-term debt in June 2020 at a net interest cost of 1.32 percent over a 15-year term, and \$5.530 million of long-term debt in January 2021 at a net interest cost of 0.45 percent over a 10-year term. In its credit rating opinion, Moody's cited the Town's strong financial position including strong fiscal management, conservative budgeting, adherence to formal policies, multi-year budget forecasting and capital planning, and a growing tax base 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 FY2022, the Town expects all debt service to be 10.19 percent of gross operating revenues.

The FY2022 budget proposes appropriating \$2,800,000 from the Capital Stabilization Fund to provide property tax relief for excluded debt service.

Table 13 Annual Debt Service	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Budgeted	FY2022 Proposed
General Fund^{1, 2}	\$ 6,740,537	\$ 7,037,701	\$ 9,388,135	\$ 10,837,525	\$ 9,556,878	\$ 10,371,583	\$ 10,397,112
Prop 2½ Excluded Debt³	\$ 8,539,697	\$ 8,330,185	\$ 10,692,690	\$ 13,860,000	\$ 16,328,254	\$ 17,284,829	\$ 16,806,253
Water	\$ 1,307,938	\$ 1,374,696	\$ 1,470,783	\$ 1,436,995	\$ 1,192,000	\$ 1,278,770	\$ 1,179,794
Compost Revolving Fund	\$ 45,883	\$ 91,228	\$ 151,671	\$ 216,859	\$ 217,303	\$ 205,557	\$ 163,001
Sewer	\$ 1,021,687	\$ 937,922	\$ 1,034,904	\$ 1,134,396	\$ 1,200,863	\$ 1,388,579	\$ 1,464,513
Recreation	\$ 100,000	\$ 100,000	\$ 100,000	\$ —	\$ —	\$ —	\$ —
Total Debt Service	\$ 17,755,742	\$ 17,871,732	\$ 22,838,183	\$ 27,485,775	\$ 28,495,298	\$ 30,529,318	\$ 30,010,673
Gross Revenues	\$226,095,548	\$233,826,431	\$253,167,533	\$261,842,913	\$271,507,327	\$276,634,222	\$294,483,391
Debt Svc. as % of Revenue	7.85%	7.64%	9.31%	10.50%	10.50%	11.04%	10.19%

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.

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 FY2022 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
Winter 2021	2022	Police Department Reconstruction		\$25,651,792	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 FY2022 recommended budget provides funding for the following tax relief programs:

1. Senior Service Program – Qualified property owners, age 60 and older, can work for the Town and receive up to \$1,540 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 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:

FY2021: 1.41 percent
FY2020: 2.55 percent
FY2019: 1.96 percent
FY2018: 0.82 percent
FY2017: 0.66 percent
FY2016: 0.25 percent
FY2015: 0.12 percent
FY2014: 0.15 percent
FY2013: 0.18 percent
FY2012: 0.26 percent

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 FY2022 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 2022, a residential tax rate of \$14.83/\$1,000 of valuation is estimated compared to the residential tax rate of \$14.39/\$1,000 of valuation for Fiscal Year 2021.

The following table provides a summary of components of the property tax bill for a home assessed at \$1,009,000, which is the current median residential property value in Lexington.

MEDIAN RESIDENTIAL TAX BILL	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022 (est.)
Property tax w/2.5% increase	\$ 11,452	\$ 12,092	\$ 12,592	\$ 13,186	\$ 13,630	\$ 13,981
Proposition 2½ debt exclusion	\$ 589	\$ 592	\$ 667	\$ 794	\$ 890	\$ 983
Community Preservation Act surcharge	\$ 318	\$ 338	\$ 355	\$ 377	\$ 392	\$ 404
Total tax bill	\$12,359	\$13,022	\$13,614	\$14,357	\$14,912	\$15,368
Home at Median Value	\$831,000	\$887,000	\$939,000	\$995,000	\$1,009,000	\$1,009,000

Assumes no change in the residential/commercial tax shift in FY2021 to FY2022.

Assumes no change in total valuation by class of property (residential, commercial/industrial, personal property) in FY2022.

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:

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














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

FY2022 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 2020
Calendar Year 2021

Important Dates

<p>September 2020</p> <p>Issuance of Capital and Operating Budget Guidelines</p> <p> Summit to Review Pandemic Budget Adjustments before Special Town Meeting September 10th</p> <p>Town Manager Review of Capital Budget Requests</p>		<p>January 2021</p> <p> Submittal of Superintendent's Recommended Budget to SC January 5th</p> <p> Submittal of Manager's Recommended Budget to Select Board January 11th</p> <p> School Committee Hearings on Budget January 12th</p> <p> Budget Summit III - Review of Town Manager's Preliminary Budget January 14th</p>	
<p>October 2020</p> <p> Budget Summit I - Financial Indicators & Projections October 8th</p> <p>Special Town Meeting Oct. 14 - Nov. 19</p> <p>Town Manager Review of Operating Budget Requests</p>		<p>February 2021</p> <p> Select Board Vote on FY2022 Recommended Budget February 8th</p> <p> FY2022 Recommended Budget submitted to Town Meeting February 22nd</p>	
<p>November 2020</p> <p> Presidential Election November 3rd</p> <p> Budget Summit II - Revenue Projections and Revenue Allocation November 5th</p>		<p>March 2021</p> <p> Municipal Election March 1st</p> <p>Town Meeting Commences March 22nd</p> <p> Budget Presentations by Town Manager and Superintendent TBD</p> <p> Town Meeting Begins Budget Deliberations March 22nd</p>	
<p>December 2020</p> <p>Municipal Budget Presentations for Select Board Dec. 2-3, & 8th</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 FY2019-FY2022. It reflects actual results of FY2019 and FY2020, FY2021 estimated revenues and budgeted expenditures submitted to the Department of Revenue for the certification of the FY2021 tax rate, and the budget recommendations of the Town Manager and School Superintendent for FY2022 budget and projected revenues to support those recommendations.

Revenue Summary	FY2019 Actual	FY2020 Actual	FY2021 Recap	FY2022 Projected
Tax Levy	\$ 176,841,054	\$ 184,821,513	\$ 194,329,879	\$ 202,025,697
State Aid	\$ 16,013,450	\$ 16,255,912	\$ 16,334,701	\$ 16,515,527
Local Receipts	\$ 16,968,556	\$ 16,734,357	\$ 12,054,341	\$ 12,774,539
Available Funds	\$ 14,830,606	\$ 14,314,142	\$ 11,887,351	\$ 20,575,379
Other Available Funds: Use of Capital Stabilization Fund	\$ 573,500	\$ —	\$ —	\$ —
Revenue Offsets	\$ (1,963,922)	\$ (1,875,209)	\$ (1,773,854)	\$ (2,207,455)
Enterprise Funds (Indirect)	\$ 1,646,939	\$ 1,696,348	\$ 1,749,435	\$ 1,432,356
Total General Fund	\$ 224,910,183	\$ 231,947,062	\$ 234,581,853	\$ 251,116,043
General Fund Expenditure Summary				
Education				
Lexington Public Schools	\$ 106,551,278	\$ 109,609,162	\$ 118,357,656	\$ 123,376,981
Minuteman Regional School	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038
<i>Subtotal Education</i>	<i>\$ 108,677,495</i>	<i>\$ 112,079,293</i>	<i>\$ 121,220,803</i>	<i>\$ 126,507,019</i>
Municipal Departments	\$ 37,269,567	\$ 37,066,490	\$ 41,598,660	\$ 43,000,887
Shared Expenses				
Benefits & Insurance	\$ 32,378,943	\$ 34,516,484	\$ 37,964,483	\$ 39,854,559
Property Insurance & Solar	\$ 1,334,624	\$ 1,440,268	\$ 1,505,000	\$ 1,485,000
Debt (within-levy)	\$ 10,837,525	\$ 9,556,878	\$ 10,371,583	\$ 10,397,112
Reserve Fund	\$ —	\$ —	\$ 750,000	\$ 750,000
Facilities	\$ 10,732,720	\$ 11,095,414	\$ 11,990,390	\$ 12,153,365
<i>Subtotal Shared Expenses</i>	<i>\$ 55,283,812</i>	<i>\$ 56,609,045</i>	<i>\$ 62,581,456</i>	<i>\$ 64,640,036</i>
Capital				
Cash Capital (designated)	\$ 7,743,938	\$ 8,137,274	\$ 7,812,019	\$ 8,496,491
<i>Subtotal Capital</i>	<i>\$ 7,743,938</i>	<i>\$ 8,137,274</i>	<i>\$ 7,812,019</i>	<i>\$ 8,496,491</i>
Other				
Other (allocated)	\$ 5,674,348	\$ 4,358,036	\$ 1,368,916	\$ 7,971,610
Other (unallocated)	\$ —	\$ —	\$ —	\$ 500,000
<i>Subtotal Other</i>	<i>\$ 5,674,348</i>	<i>\$ 4,358,036</i>	<i>\$ 1,368,916</i>	<i>\$ 8,471,610</i>
Total General Fund	\$ 214,649,160	\$ 218,250,138	\$ 234,581,853	\$ 251,116,043
General Fund Surplus/(Deficit)	\$ 10,261,023	\$ 13,696,925	\$ —	\$ —

Section I Budget Overview

Program Summary		A	B	C	D	E	F
		FY2019	FY2020	FY2021	FY2022	(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	\$ 106,551,278	\$ 109,609,162	\$ 118,357,656	\$ 123,376,981	\$ 5,019,325	4.24 %
	1200 Regional High School	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32 %
Total Education		\$ 108,677,495	\$ 112,079,293	\$ 121,220,803	\$ 126,507,019	\$ 5,286,216	4.36 %
<u>Program 2000: Shared Expenses</u>							
	2110 Contributory Retirement	\$ 5,940,077	\$ 6,334,436	\$ 6,685,537	\$ 7,417,500	\$ 731,963	10.95 %
	2120 Non-Contributory Retirement	\$ 15,067	\$ 15,487	\$ 15,907	\$ 16,327	\$ 420	2.64 %
	2130 Employee Benefits (Health/Dental/Life/Medicare)	\$ 25,403,668	\$ 27,079,216	\$ 30,188,039	\$ 31,370,733	\$ 1,182,694	3.92 %
	2140 Unemployment	\$ 137,751	\$ 200,000	\$ 200,000	\$ 300,000	\$ 100,000	50.00 %
	2150 Workers' Comp.* (MGL Ch.40:13A&13C, Ch.41:111F)	\$ 882,380	\$ 887,346	\$ 875,000	\$ 750,000	\$ (125,000)	(14.29) %
	<i>Subtotal 2100 Benefits</i>	<i>\$ 32,378,943</i>	<i>\$ 34,516,484</i>	<i>\$ 37,964,483</i>	<i>\$ 39,854,559</i>	<i>\$ 1,890,077</i>	<i>4.98 %</i>
	2210 Property & Liability Insurance	\$ 732,786	\$ 804,756	\$ 845,000	\$ 845,000	\$ —	— %
	2220 Uninsured Losses* (MGL Ch. 40, Sec. 13)	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ —	— %
	<i>Subtotal 2200 Property & Liability Insurance</i>	<i>\$ 982,786</i>	<i>\$ 1,054,756</i>	<i>\$ 1,095,000</i>	<i>\$ 1,095,000</i>	<i>\$ —</i>	<i>— %</i>
	2310 Solar Producer Payments	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88) %
	<i>Subtotal 2300 Solar Producer Payments</i>	<i>\$ 351,839</i>	<i>\$ 385,512</i>	<i>\$ 410,000</i>	<i>\$ 390,000</i>	<i>\$ (20,000)</i>	<i>(4.88) %</i>
	2410 Principal on Long Term Debt	\$ 6,037,364	\$ 5,968,224	\$ 6,292,000	\$ 5,626,400	\$ (665,600)	(10.58) %
	2420 Interest on Long Term Debt	\$ 1,062,802	\$ 1,010,976	\$ 1,101,674	\$ 956,198	\$ (145,476)	(13.20) %
	2430 Principal & Interest on Temporary Debt	\$ 3,737,359	\$ 2,577,678	\$ 2,977,909	\$ 3,814,514	\$ 836,605	28.09 %
	<i>Subtotal 2400 Debt Services</i>	<i>\$ 10,837,525</i>	<i>\$ 9,556,878</i>	<i>\$ 10,371,583</i>	<i>\$ 10,397,112</i>	<i>\$ 25,529</i>	<i>0.25 %</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	\$ 10,732,720	\$ 11,095,414	\$ 11,990,390	\$ 12,153,365	\$ 162,975	1.36 %
Total Shared Expenses		\$ 55,283,812	\$ 56,609,045	\$ 62,581,456	\$ 64,640,036	\$ 2,058,581	3.29 %
<u>Program 3000: Public Works</u>							
	3100-3500 DPW Personal Services	\$ 4,149,986	\$ 4,165,247	\$ 4,332,465	\$ 4,695,200	\$ 362,735	8.37 %
	3100-3500 DPW Expenses	\$ 5,600,222	\$ 5,309,752	\$ 6,473,172	\$ 6,832,943	\$ 359,771	5.56 %
Total Public Works		\$ 9,750,208	\$ 9,474,999	\$ 10,805,637	\$ 11,528,143	\$ 722,506	6.69 %

Section I Budget Overview

Program Summary		A	B	C	D	E	F
Element	Description	FY2019	FY2020	FY2021	FY2022	(D-C)	(E/C)
		Actual	Actual	Restated	Recommended	Change \$	Change %
<u>Program 4000: Public Safety</u>							
	4100 Law Enforcement Personal Services	\$ 6,933,132	\$ 6,753,696	\$ 7,079,469	\$ 7,209,908	\$ 130,439	1.84 %
	4100 Law Enforcement Expenses	\$ 922,866	\$ 901,475	\$ 959,089	\$ 1,025,149	\$ 66,060	6.89 %
	<i>Subtotal 4100 Law Enforcement</i>	<i>\$ 7,855,998</i>	<i>\$ 7,655,171</i>	<i>\$ 8,038,558</i>	<i>\$ 8,235,057</i>	<i>\$ 196,499</i>	<i>2.44 %</i>
	4200 Fire Personal Services	\$ 6,307,031	\$ 6,645,325	\$ 6,800,552	\$ 7,047,201	\$ 246,649	3.63 %
	4200 Fire Expenses	\$ 632,264	\$ 605,006	\$ 697,682	\$ 722,109	\$ 24,427	3.50 %
	<i>Subtotal 4200 EMS/Fire</i>	<i>\$ 6,939,296</i>	<i>\$ 7,250,331</i>	<i>\$ 7,498,234</i>	<i>\$ 7,769,310</i>	<i>\$ 271,076</i>	<i>3.62 %</i>
	Total Public Safety	\$ 14,795,294	\$ 14,905,502	\$ 15,536,792	\$ 16,004,367	\$ 467,575	3.01 %
<u>Program 5000: Culture & Recreation</u>							
	5100 Library Personal Services	\$ 2,211,884	\$ 2,265,546	\$ 2,372,517	\$ 2,475,402	\$ 102,885	4.34 %
	5100 Library Expenses	\$ 463,471	\$ 470,920	\$ 586,909	\$ 630,741	\$ 43,832	7.47 %
	Total Culture & Recreation	\$ 2,675,355	\$ 2,736,466	\$ 2,959,426	\$ 3,106,143	\$ 146,717	4.96 %
<u>Program 6000: Human Services</u>							
	6000 Human Services Personal Services	\$ 544,718	\$ 631,963	\$ 660,748	\$ 690,474	\$ 29,726	4.50 %
	6000 Human Services Expenses	\$ 683,842	\$ 610,696	\$ 826,074	\$ 786,991	\$ (39,083)	(4.73) %
	Total Human Services	\$ 1,228,560	\$ 1,242,659	\$ 1,486,822	\$ 1,477,465	\$ (9,357)	(0.63)%
<u>Program 7000: Land Use, Health and Development (LUHD) Department</u>							
	7100-7400 LUHD Dept. Personal Services	\$ 1,732,512	\$ 1,828,944	\$ 2,114,074	\$ 2,171,252	\$ 57,178	2.70 %
	7100-7400 LUHD Dept. Expenses	\$ 359,187	\$ 326,499	\$ 526,987	\$ 522,737	\$ (4,250)	(0.81) %
	Total Land Use, Health & Development Dept.	\$ 2,091,699	\$ 2,155,443	\$ 2,641,061	\$ 2,693,989	\$ 52,928	2.00 %

Section I Budget Overview

Program Summary		A	B	C	D	E	F
		FY2019	FY2020	FY2021	FY2022	(D-C)	(E/C)
Element	Description	Actual	Actual	Restated	Recommended	Change \$	Change %
<u>Program 8000: General Government</u>							
8110	Select Board Personal Services	\$ 101,786	\$ 118,280	\$ 129,199	\$ 135,782	\$ 6,583	5.10 %
8110	Select Board Expenses	\$ 117,543	\$ 86,348	\$ 114,838	\$ 112,838	\$ (2,000)	(1.74) %
8120	Legal	\$ 301,214	\$ 241,617	\$ 410,000	\$ 395,000	\$ (15,000)	(3.66) %
8130	Town Report	\$ 11,190	\$ 11,004	\$ 13,688	\$ 13,688	\$ —	— %
8140	PEG Access	\$ 597,085	\$ 611,477	\$ 627,151	\$ 602,500	\$ (24,651)	(3.93) %
<i>Subtotal 8100 Select Board</i>		\$ 1,128,817	\$ 1,068,726	\$ 1,294,876	\$ 1,259,808	\$ (35,068)	(2.71) %
8210-8220	Town Manager Personal Services	\$ 646,908	\$ 714,544	\$ 845,915	\$ 922,639	\$ 76,724	9.07 %
8210-8220	Town Manager Expenses	\$ 131,141	\$ 162,050	\$ 269,785	\$ 283,035	\$ 13,250	4.91 %
8230	Salary Transfer Account* (MGL Ch.40, Sec 13D)	\$ 483,030	\$ 477,222	\$ 408,732	\$ 313,529	\$ (95,203)	(23.29) %
<i>Subtotal 8200 Town Manager</i>		\$ 1,261,079	\$ 1,353,816	\$ 1,524,432	\$ 1,519,203	\$ (5,229)	(0.34) %
8310	Financial Committees	\$ 5,667	\$ 4,299	\$ 8,262	\$ 8,262	\$ —	— %
8320	Misc. Boards and Committees	\$ 1,877	\$ 103	\$ 10,500	\$ 10,500	\$ —	— %
8330	Town Celebrations Committee	\$ 43,948	\$ 5,700	\$ 45,338	\$ 46,471	\$ 1,133	2.5 %
<i>Subtotal 8300 Town Committees</i>		\$ 51,492	\$ 10,102	\$ 64,100	\$ 65,233	\$ 1,133	1.8 %
8400	Finance Personal Services	\$ 1,278,951	\$ 1,328,134	\$ 1,404,865	\$ 1,510,973	\$ 106,108	7.55 %
8400	Finance Expenses	\$ 481,172	\$ 369,723	\$ 497,480	\$ 493,635	\$ (3,845)	(0.77) %
<i>Subtotal 8400 Finance</i>		\$ 1,760,123	\$ 1,697,857	\$ 1,902,345	\$ 2,004,608	\$ 102,263	5.38 %
8500	Town Clerk Personal Services	\$ 388,841	\$ 391,457	\$ 440,852	\$ 404,181	\$ (36,671)	(8.32) %
8500	Town Clerk Expenses	\$ 92,422	\$ 93,622	\$ 149,600	\$ 98,250	\$ (51,350)	(34.32) %
<i>Subtotal 8500 Town Clerk</i>		\$ 481,263	\$ 485,079	\$ 590,452	\$ 502,431	\$ (88,021)	(14.91) %
8600	IT Personal Services	\$ 836,975	\$ 860,292	\$ 939,117	\$ 944,997	\$ 5,880	0.63 %
8600	IT Expenses	\$ 1,208,702	\$ 1,075,548	\$ 1,853,600	\$ 1,894,500	\$ 40,900	2.21 %
<i>Subtotal 8600 Innovation & Technology</i>		\$ 2,045,677	\$ 1,935,840	\$ 2,792,717	\$ 2,839,497	\$ 46,780	1.68 %
Total General Government		\$ 6,728,451	\$ 6,551,421	\$ 8,168,922	\$ 8,190,780	\$ 21,858	0.27 %
Total Municipal		\$ 37,269,567	\$ 37,066,490	\$ 41,598,660	\$ 43,000,887	\$ 1,402,227	3.37 %
<u>Operating Department Summary</u>							
	Education Operating	\$ 108,677,495	\$ 112,079,293	\$ 121,220,803	\$ 126,507,019	\$ 5,286,216	4.36 %
	Shared Expenses	\$ 55,283,812	\$ 56,609,045	\$ 62,581,456	\$ 64,640,036	\$ 2,058,581	3.29 %
	Municipal Operating	\$ 37,269,567	\$ 37,066,490	\$ 41,598,660	\$ 43,000,887	\$ 1,402,227	3.37 %
		\$ 201,230,874	\$ 205,754,828	\$ 225,400,919	\$ 234,147,942	\$ 8,747,024	3.88 %

Section I Budget Overview

Program Summary		A	B	C	D	E	F
Element	Description	FY2019 Actual	FY2020 Actual	FY2021 Restated	FY2022 Recommended	(D-C) Change \$	(E/C) Change %
Capital							
	Capital Requests (Cash-GF, Prior Bond Auth., BAN Premiums)	\$ 4,600,245	\$ 5,275,858	\$ 4,775,531	\$ 5,166,505	\$ 390,974	8.19 %
	Non-General Fund Capital Requests	\$ 344,800	\$ 40,750	\$ 193,504	\$ 464,126	\$ 270,622	139.85 %
	Building Envelope & Systems Set-Aside	\$ 198,893	\$ 203,865	\$ 208,962	\$ 214,186	\$ 5,224	2.50 %
	Streets Set-Aside	\$ 2,600,000	\$ 2,616,801	\$ 2,634,022	\$ 2,651,674	\$ 17,652	0.67 %
Total Capital		\$ 7,743,938	\$ 8,137,274	\$ 7,812,019	\$ 8,496,491	\$ 684,472	8.76 %
Other							
	Unallocated	\$ —	\$ —	\$ —	\$ 500,000	\$ 500,000	— %
	Set-Aside for Unanticipated Current FY Needs	\$ —	\$ —	\$ —	\$ 200,000	\$ 200,000	— %
	Set-Aside for State Aid Reductions	\$ —	\$ —	\$ —	\$ 2,000,000	\$ 2,000,000	— %
	General Fund Support for Recreation & Community Programs (Transfer to Article 5, ATM)	\$ 214,292	\$ 208,859	\$ 618,916	\$ 509,215	\$ (109,701)	(17.72) %
	Allocated to Capital Stabilization Fund	\$ 3,560,335	\$ 2,269,456	\$ —	\$ 3,217,674	\$ 3,217,674	— %
	Senior Service Program	\$ —	\$ —	\$ —	\$ 15,000	\$ 15,000	— %
	Getting to Net Zero	\$ 40,000	\$ —	\$ —	\$ —	\$ —	— %
	Vision for Lexington Townwide Survey	\$ —	\$ —	\$ —	\$ 50,000	\$ 50,000	— %
	OPEB Trust Fund**	\$ 1,829,721	\$ 1,879,721	\$ 750,000	\$ 1,879,721	\$ 1,129,721	150.63 %
	Warrant Articles	\$ 30,000	\$ —	\$ —	\$ 100,000	\$ 100,000	— %
Total Other Articles		\$ 5,674,348	\$ 4,358,036	\$ 1,368,916	\$ 8,471,610	\$ 7,102,694	518.86 %
General Fund Total		\$ 214,649,160	\$ 218,250,138	\$ 234,581,853	\$ 251,116,043	\$ 16,534,190	7.05 %
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	\$ 10,523,712	\$ 10,584,063	\$ 11,722,329	\$ 12,700,805	\$ 978,476	8.35 %
3700	Sewer Enterprise	\$ 9,777,940	\$ 10,084,043	\$ 10,763,319	\$ 11,270,354	\$ 507,035	4.71 %
5200	Recreation Enterprise	\$ 2,771,077	\$ 2,563,904	\$ 2,281,892	\$ 2,589,936	\$ 308,044	13.50 %
	Cash Capital - Enterprise	\$ 165,000	\$ 1,600,000	\$ 430,000	\$ 1,317,000	\$ 887,000	206.28 %
Total Enterprise Funds (Oper. Exp. ONLY)		\$ 23,237,729	\$ 24,832,011	\$ 25,197,540	\$ 27,878,095	\$ 2,680,555	10.64 %

Section I Budget Overview

Town of Lexington, MA

Program Summary		A	B	C	D	E	F
Element	Description	FY2019 Actual	FY2020 Actual	FY2021 Restated	FY2022 Recommended	(D-C) Change \$	(E/C) Change %
Revolving Funds							
1100	School Bus Transportation	\$ 1,048,300	\$ 1,149,283	\$ 1,150,000	\$ 1,150,000	\$ —	— %
2600	Building Rental Revolving Fund	\$ 480,714	\$ 445,126	\$ 556,808	\$ 569,394	\$ 12,586	2.26 %
3100	Regional Cache - Hartwell Avenue	\$ 13,479	\$ 10,550	\$ 20,000	\$ 50,000	\$ 30,000	150.00 %
3320	Tree (DPW-Forestry)	\$ —	\$ 887	\$ 45,000	\$ 70,000	\$ 25,000	55.56 %
3330	Burial Container (DPW-Cemetery)	\$ 27,945	\$ 29,690	\$ 50,000	\$ 50,000	\$ —	— %
3420	Compost Operations (DPW-Recycling)	\$ 739,938	\$ 824,839	\$ 783,568	\$ 786,355	\$ 2,787	0.36 %
3420	MHHP Operations	\$ 139,932	\$ 133,954	\$ 250,000	\$ 260,000	\$ 10,000	4.00 %
6120	Senior Services	\$ 52,895	\$ 38,157	\$ 75,000	\$ 75,000	\$ —	— %
7110	Residential Engineering Review	\$ —	\$ —	\$ 57,600	\$ 57,600	\$ —	— %
7140	Health Programs	\$ 36,197	\$ 45,719	\$ 45,000	\$ 45,000	\$ —	— %
7140	Lab Animal Permits	\$ —	\$ —	\$ 40,000	\$ 40,000	\$ —	— %
7320	Tourism/Liberty Ride	\$ 182,274	\$ 139,510	\$ 193,263	\$ 193,263	\$ —	— %
7340	Visitors Center	\$ 170,309	\$ 44,359	\$ 246,036	\$ 246,761	\$ 725	0.29 %
Total Revolving Funds		\$ 2,891,981	\$ 2,862,075	\$ 3,512,275	\$ 3,593,373	\$ 81,098	2.31 %
Community Preservation Act (CPA)							
	CPA Cash Capital	\$ 3,377,000	\$ 2,283,367	\$ 2,233,495	\$ 585,000	\$ (1,648,495)	(73.81) %
	CPA Debt Service	\$ 2,220,216	\$ 3,094,680	\$ 3,968,594	\$ 2,989,550	\$ (979,044)	(24.67) %
	CPA Other (Projects & Admin.)	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ —	— %
Total CPA		\$ 5,747,216	\$ 5,528,047	\$ 6,352,089	\$ 3,724,550	\$ (2,627,539)	(41.36)%
Grants							
	Grants & Subsidies (MBTA & Elder Affairs)	\$ 148,172	\$ 143,801	\$ 151,007	\$ 151,007	\$ —	— %
Total Grants		\$ 148,172	\$ 143,801	\$ 151,007	\$ 151,007	\$ —	— %
Exempt Debt							
	Municipal	\$ 1,985,783	\$ 2,061,354	\$ 2,268,827	\$ 2,228,673	\$ (40,154)	(1.77) %
	School	\$ 11,874,218	\$ 14,266,900	\$ 15,016,002	\$ 14,577,580	\$ (438,422)	(2.92) %
	Less Capital Stabilization Fund Mitigation	\$ (4,500,000)	\$ (5,200,000)	\$ (4,600,000)	\$ (2,800,000)	\$ 1,800,000	(39.13) %
Total Exempt Debt		\$ 9,360,001	\$ 11,128,254	\$ 12,684,829	\$ 14,006,253	\$ 1,321,424	10.42 %
Non-General Fund Total		\$ 41,385,099	\$ 44,494,188	\$ 47,897,740	\$ 49,353,278	\$ 1,455,538	3.04 %
Combined Budget Total		\$ 256,034,259	\$ 262,744,325	\$ 282,479,593	\$ 300,469,321	\$ 17,989,728	6.37 %

Section I Budget Overview

Town of Lexington, MA

Program Summary		A	B	C	D	E	F
		FY2019	FY2020	FY2021	FY2022	(D-C)	(E/C)
Element	Description	Actual	Actual	Restated	Recommended	Change \$	Change %
Reconciliation							
	Education	\$ 108,677,495	\$ 112,079,293	\$ 121,220,803	\$ 126,507,019	\$ 5,286,216	4.36 %
	Shared Expenses	\$ 55,283,812	\$ 56,609,045	\$ 62,581,456	\$ 64,640,036	\$ 2,058,581	3.29 %
	Municipal	\$ 37,269,567	\$ 37,066,490	\$ 41,598,660	\$ 43,000,887	\$ 1,402,227	3.37 %
	Capital	\$ 7,743,938	\$ 8,137,274	\$ 7,812,019	\$ 8,496,491	\$ 684,472	8.76 %
	Other	\$ 5,674,348	\$ 4,358,036	\$ 1,368,916	\$ 8,471,610	\$ 7,102,694	518.86 %
	Enterprise	\$ 23,237,729	\$ 24,832,011	\$ 25,197,540	\$ 27,878,095	\$ 2,680,555	10.64 %
	Revolving Funds & Grants	\$ 3,040,153	\$ 3,005,876	\$ 3,663,282	\$ 3,744,380	\$ 81,098	2.21 %
	CPA	\$ 5,747,216	\$ 5,528,047	\$ 6,352,089	\$ 3,724,550	\$ (2,627,539)	(41.36) %
	Exempt Debt	\$ 9,360,001	\$ 11,128,254	\$ 12,684,829	\$ 14,006,253	\$ 1,321,424	10.42 %
Totals		\$ 256,034,259	\$ 262,744,325	\$ 282,479,593	\$ 300,469,321	\$ 17,989,728	6.37 %

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Section II: Revenues

This section includes detailed information about FY2022 Projected Revenues. It includes:

- General Fund Revenue Description II-2

The summary below presents General Fund Operating Revenues, Total General Fund Revenues and Net General Fund Revenues. General Fund Operating Revenues include all revenues projected as available for use in FY2022 whose sources recur annually.

- Total General Fund Revenues include 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 FY2022, Total General Fund Revenues are projected to increase by approximately \$16.53 million, or 7.0%. Net General Fund Revenues, those available to support school and municipal operating budgets, are projected to increase by \$8.75 million, or 3.9%.

General Fund Revenue Summary	FY2019 Actual	FY2020 Actual	FY2021 Recap	FY2022 Projected	FY2021-22 Change	
					\$	%
Property Tax Levy (Table 1)	\$ 176,841,054	\$ 184,821,513	\$ 194,329,879	\$ 202,025,697	\$ 7,695,818	3.96%
State Aid (Table 2)	\$ 16,013,450	\$ 16,255,912	\$ 16,334,701	\$ 16,515,527	\$ 180,826	1.11%
Local Receipts (Table 3)	\$ 16,968,556	\$ 16,734,357	\$ 12,054,341	\$ 12,774,539	\$ 720,198	5.97%
Available Funds (Table 4)	\$ 14,830,606	\$ 14,314,142	\$ 11,887,351	\$ 20,575,379	\$ 8,688,028	73.09%
Other Available Funds - Use of Capital Stabilization Fund (Table 4a)	\$ 573,500	\$ —	\$ —	\$ —	\$ —	—%
Revenue Offsets (Table 5)	\$ (1,963,922)	\$ (1,875,209)	\$ (1,773,854)	\$ (2,207,455)	\$ (433,601)	24.44%
Enterprise Receipts (Table 6)	\$ 1,646,939	\$ 1,696,348	\$ 1,749,435	\$ 1,432,356	\$ (317,079)	(18.12)%
Total General Fund Operating Revenues	\$224,910,183	\$231,947,062	\$234,581,853	\$251,116,043	\$16,534,189	7.05%
Less - Revenues Set-Aside for Designated Purposes	\$ 13,846,782	\$ 12,495,310	\$ 9,180,935	\$ 16,968,101	\$ 7,787,166	84.82%
Net General Fund Revenues	\$211,063,401	\$219,451,752	\$225,400,918	\$234,147,942	\$ 8,747,023	3.88%

Detailed Description:

Property Tax Levy: The FY2022 property tax levy is projected to increase approximately \$7.70 million, or 4.0%. The projected levy is a function of the FY2021 levy limit increased by 2.5% per Proposition 2½, plus an increment for new growth. FY2022 new growth will be a function of construction activity for the period July 1, 2020 to June 30, 2021. FY2022 new growth is estimated at \$2,750,000 based on a review of historical data on new growth.

State Aid: Due to the pandemic, Local Aid was level-funded in FY2021, which was originally projected to continue in FY2022. However, the Governor's budget included a modest increase to both Chapter 70 and Undesignated General Government Aid. These increases are offset by reductions in projected revenue from Charter School Tuition Reimbursements, Veterans benefit reimbursements, and Exemptions, resulting in an overall increase of 1.11%. Final FY2022 State aid numbers will be known once the Legislature adopts, and the Governor signs, the FY2022 State budget, which is typically in June. However, timing may be delayed given the challenges and uncertainty caused by the pandemic.

Local Receipts: FY2022 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. FY2022 local receipts are estimated to increase by approximately \$720,198 or 5.97% over FY2021 estimates, which were also adjusted for the pandemic. The main contributor to this growth is a partial rebound in Other Excise.

Available Funds: Due to the pandemic, the FY2021 budget removed more than \$3 million from Available Funds by reducing or eliminating Free Cash contributions to the Capital Stabilization Fund and the OPEB Trust Fund. Those funds were carried forward, and are now available for FY2022, which has inflated the value in this category, with an increase of \$8,688,028, or 73.09%. This Free Cash reserve will cushion the FY2022 budget against additional pandemic-related revenue losses such as unexpected reductions in State Aid or other local receipts.

The increase in Available Funds also includes \$500,000 in transfers from the Special Education Stabilization Fund to address expected increases in out-of-district tuition and transportation costs.

Consistent with prior years, FY2022 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.

In FY2022, a transfer from the Capital Stabilization Fund is not needed to mitigate within-levy debt service, as debt service remains within target levels. Similarly, no funds were needed for this purpose in FY2020 and FY2021.

Revenue Offsets: Revenue Offsets are projected to increase by approximately \$433,601 or 24.44%. 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 FY2022 increase in total Revenue Offsets is driven by the set-aside of \$400,000 in estimated FY2022 revenue to cover a potential snow and ice deficit at the end of FY2021. For FY2021, \$400,000 was set-aside, but was ultimately not needed since actual FY2020 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. Because of the pandemic, Recreation Enterprise revenues have seen dramatic reductions, requiring support from the General Fund in FY2021, and causing the Town to reconsider how to fund the department going forward. As a preliminary measure, Recreation indirect revenues have been eliminated in FY2022. Overall Enterprise Receipts are decreasing by (18.1)%, or \$(317,079) because of the reduction from Recreation, as well as an updated indirect cost analysis for Water and Sewer.

Section II Revenues

Town of Lexington, Massachusetts

Revenue Summary						
	FY2019 Actual	FY2020 Actual	FY2021 Recap	FY2022 Projected	FY2021-22 Change	
					\$	%
Table 1: Property Tax Levy						
Tax Levy	\$ 169,402,066	\$ 176,907,123	\$ 184,938,304	\$ 194,415,314	\$ 9,477,011	5.12%
Prop. 2.5%	\$ 4,235,052	\$ 4,422,678	\$ 4,623,458	\$ 4,860,383	\$ 236,925	5.12%
New Growth	\$ 3,270,005	\$ 3,608,503	\$ 4,853,553	\$ 2,750,000	\$ (2,103,553)	(43.34)%
Override/Excess Levy Capacity	\$ (66,069)	\$ (116,791)	\$ (85,435)	NA		
Subtotal	\$ 176,841,054	\$ 184,821,513	\$ 194,329,879	\$ 202,025,697	\$ 7,695,818	3.96%
Table 2: State Aid						
Chapter 70	\$ 14,217,984	\$ 14,456,349	\$ 14,438,034	\$ 14,647,494	\$ 209,460	1.45%
Charter School Reimbursement	\$ 6,532	\$ 2,446	\$ 80,755	\$ 24,261	\$ (56,494)	(69.96)%
Unrestricted General Government Aid	\$ 1,584,615	\$ 1,627,400	\$ 1,627,400	\$ 1,684,359	\$ 56,959	3.50%
Veterans' Benefits & Exemptions	\$ 154,023	\$ 117,802	\$ 124,689	\$ 95,590	\$ (29,099)	(23.34)%
Offsets (Library)	\$ 50,296	\$ 51,915	\$ 63,823	\$ 63,823	\$ —	—%
Subtotal	\$ 16,013,450	\$ 16,255,912	\$ 16,334,701	\$ 16,515,527	\$ 180,826	1.11%
Table 3: Local Receipts						
Motor Vehicle Excise Tax	\$ 5,649,362	\$ 5,383,364	\$ 5,391,573	\$ 5,476,000	\$ 84,427	1.57%
Other Excise	\$ 1,659,673	\$ 1,503,388	\$ 412,000	\$ 824,000	\$ 412,000	100.00%
Penalties & Interest	\$ 566,632	\$ 564,274	\$ 341,500	\$ 341,500	\$ —	—%
PILOT's	\$ 619,192	\$ 666,153	\$ 683,000	\$ 684,000	\$ 1,000	0.15%
Rentals	\$ 459,765	\$ 431,498	\$ 393,275	\$ 394,850	\$ 1,575	0.40%
Departmental-Schools	\$ 371,985	\$ 331,482	\$ 88,500	\$ 243,500	\$ 155,000	175.14%
Departmental-Municipal	\$ 2,692,170	\$ 2,607,887	\$ 2,472,525	\$ 2,540,025	\$ 67,500	2.73%
Licenses & Permits	\$ 2,725,133	\$ 3,021,668	\$ 1,906,600	\$ 1,906,600	\$ —	—%
Special Assessments	\$ 32,790	\$ 19,781	\$ 14,368	\$ 13,064	\$ (1,304)	(9.08)%
Fines & Forfeits	\$ 189,845	\$ 152,654	\$ 101,000	\$ 101,000	\$ —	—%
Investment Income	\$ 1,781,573	\$ 1,297,265	\$ 250,000	\$ 250,000	\$ —	—%
Miscellaneous Non-Recurring	\$ 220,435	\$ 754,943	\$ —	\$ —	\$ —	—%
Subtotal	\$ 16,968,556	\$ 16,734,357	\$ 12,054,341	\$ 12,774,539	\$ 720,198	1.41%
Table 4: Available Funds						
Parking Fund	\$ 413,000	\$ 425,750	\$ 562,000	\$ 828,237	\$ 266,237	47.37%
Cemetery Perpetual Care Fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ —	—%
Cemetery Sale of Lots Fund	\$ 55,090	\$ 64,380	\$ 40,480	\$ 51,933	\$ 11,453	28.29%
Free Cash*	\$ 12,422,051	\$ 12,201,094	\$ 9,468,456	\$ 17,338,059	\$ 7,869,603	83.11%
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	\$ —	—%
Transportation Management Overlay District (TMOD) Stabilization Fund	\$ 300,000	\$ —	\$ —	\$ —	\$ —	—%
Center Improvement District Stabilization Fund	\$ 27,000	\$ 27,000	\$ —	\$ —	\$ —	—%
PEG Access Special Revenue Fund	\$ 668,067	\$ 638,918	\$ 652,711	\$ 629,287	\$ (23,424)	(3.59)%
Transportation Network Company (TNC) Special Revenue Fund	\$ —	\$ —	\$ 16,504	\$ 20,889	\$ 4,385	26.57%
Betterments Fund	\$ 4,398	\$ 16,000	\$ 6,200	\$ —	\$ (6,200)	(100.00)%
Visitors Center Stabilization Fund	\$ —	\$ —	\$ 200,000	\$ —	\$ (200,000)	(100.00)%
Special Education Stabilization Fund	\$ —	\$ —	\$ —	\$ 500,000	\$ 500,000	—%
Balances from Prior Yr. Capital Articles	\$ —	\$ —	\$ —	\$ 155,974	\$ 155,974	—%
Use of BAN Premiums	\$ —	\$ —	\$ —	\$ 110,000	\$ 110,000	—%
Subtotal	\$ 14,830,606	\$ 14,314,142	\$ 11,887,351	\$ 20,575,379	\$ 8,688,028	73.09%
Table 4a: Other Available Funds						
Capital Stabilization Fund	\$ 573,500	\$ —	\$ —	\$ —	\$ —	—
Subtotal	\$ 573,500	\$ —	\$ —	\$ —	\$ —	---
Table 5: Revenue Offsets						
Cherry Sheet Assessments	\$ (813,626)	\$ (923,294)	\$ (960,031)	\$ (993,632)	\$ (33,601)	3.50%
Cherry Sheet Offsets - Public Libraries	\$ (50,296)	\$ (51,915)	\$ (63,823)	\$ (63,823)	\$ —	—%
Overlay (abatements)	\$ (800,000)	\$ (900,000)	\$ (750,000)	\$ (750,000)	\$ —	—%
Snow Deficit	\$ (300,000)	\$ —	\$ —	\$ (400,000)	\$ (400,000)	—
Subtotal	\$ (1,963,922)	\$ (1,875,209)	\$ (1,773,854)	\$ (2,207,455)	\$ (433,601)	24.44%

Table 6: Enterprise Receipts						
Water	\$ 869,833	\$ 894,573	\$ 930,001	\$ 918,245	\$ (11,756)	(1.26)%
Wastewater (Sewer)	\$ 515,280	\$ 532,094	\$ 541,663	\$ 514,111	\$ (27,552)	(5.09)%
Recreation & Community Programs	\$ 261,826	\$ 269,681	\$ 277,771	\$ —	\$ (277,771)	(100.00)%
Subtotal	\$ 1,646,939	\$ 1,696,348	\$ 1,749,435	\$ 1,432,356	\$ (317,079)	(18.12)%
Gross General Fund Revenues	\$ 224,910,183	\$ 231,947,062	\$ 234,581,853	\$ 251,116,043	\$ 16,534,189	7.05%
Revenues Set Aside for Designated Expenses	\$ 13,846,782	\$ 12,495,310	\$ 9,180,935	\$ 16,968,101	\$ 7,787,166	84.82%
Net General Fund Revenues Available for Appropriation	\$ 211,063,401	\$ 219,451,752	\$ 225,400,918	\$ 234,147,942	\$ 8,747,023	3.88%

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 2021 annual town meeting to fund supplemental appropriations to the FY2021 (current year) budget.
2	Other Post-Employment Benefits (OPEB)	\$ 750,000	\$ 1,129,721		\$ 1,879,721	\$750,000 from the tax levy made available by an equal transfer from the Health Insurance Claims Trust Fund to fund FY2022 Health Insurance.
3	Unallocated		\$ 500,000		\$ 500,000	Set-aside for as yet to be identified FY2022 purposes.
4	Set-Aside in Case of State Aid Reduction		\$ 2,000,000		\$ 2,000,000	Reserve Free Cash to cover potential revenue losses in State Aid or local receipts.
5	Cash Capital		\$ 4,900,531	\$ 730,100	\$ 5,630,631	Free Cash and other available funds to support capital improvements.
6	Appropriate into Capital Stabilization Fund	\$ —	\$ 3,217,674		\$ 3,217,674	To meet future capital/debt service needs.
7	Appropriate from Capital Stabilization Fund			\$ —	\$ —	Proposed use of Capital Stabilization Fund to hold debt service increases to 5% annually.
8	Transition Free Cash out of Operating Budget		\$ —		\$ —	5-year plan to eliminate the use of Free Cash for the Operating Budget; paused in FY2022 due to pandemic related revenue uncertainty.
9	Street Improvement Program	\$ 2,651,674			\$ 2,651,674	Consistent with long-term street maintenance plan.
10	Municipal Building Envelope and Systems	\$ 214,186			\$ 214,186	Initially funded in 2006 override; increases by 2.5% per year.
11	Warrant Articles	\$ 165,000			\$ 165,000	Senior Tax Work-Off; Vision for Lexington Townwide Survey; Organizational Structure Review
12	Support of Recreation and Community Programs Dept. (Transfer to Article 5)	\$ 509,215			\$ 509,215	Tax Levy support of Recreation and Community Programs Enterprise, plus additional support due to pandemic revenue losses.
13	Subtotal	\$ 4,290,075	\$ 11,947,926	\$ 730,100	\$ 16,968,101	
14	Revenue to Support Operating Budget	\$ —	\$ 2,669,859	\$ 500,000	\$ 3,169,859	Free Cash/Special Education Stabilization to support the FY2022 operating budget.
15	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 FY2022.
16	Retire Note for Land Purchases - Debt Service	\$ —	\$ 2,320,274		\$ 2,320,274	To pay down notes issued for Pelham and Bedford St. over 5 years (final payment in FY2022).
17	Grand Total	\$ 4,290,075	\$ 17,338,059	\$ 1,230,100	\$ 22,858,234	

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Section III: Program 1000: Education

This section includes detailed information about the FY2022 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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Superintendent's Budget Message

January 2, 2021

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

The 2020–2021 school year has been one for the history books! In March of 2020, COVID-19 forced school closures here in Lexington and around the globe. Quarantines and travel orders were imposed; schools, municipal offices, places of business, and houses of worship were shuttered; and telecommuting, distance learning, and Zoom became part of our everyday vernacular.

In May, COVID-19 showed no signs of stopping, and school systems received little direction from the State. With no playbook for how best to educate during a pandemic, we did what we do best in Lexington—we rolled up our sleeves, embraced our revolutionary spirits, and got to work! We prioritized health, safety and equity, and provided a concrete plan to safely reopen our schools for in-person learning in the fall. A team of dedicated school community members worked together to address a number of specific pandemic-related challenges, such as the acquisition and distribution of food, technology and personal protective equipment; assessing air quality and overcrowding; the safe transport of students; delivering in-person services to those with high needs; and more. We began to methodically tackle the challenges associated with a safe return to in-person school, and we drew on community feedback and our experiences in the spring to reimagine teaching and learning in the Lexington Public Schools. Together, we created a 71-page [LPS Back-to-School Blueprint](#), the first of its kind in Massachusetts.

Educating children in-person during a pandemic comes at a cost, and the assumptions used in the development of the Lexington Public Schools FY2022 Budget do not reflect these costs. The FY2022 budget assumes a 3.82% increase to the base and a full, pre-COVID return to teaching and learning in the Fall of 2021. The 3.82% increase to the base constitutes the most modest increase LPS has received since 2010—and during one of the most challenging periods in the history of public education. To put the increase into perspective, a level services budget costs approximately 3.93%; therefore, the entire budgetary increase will be needed to maintain to the extent possible the current staff and services in LPS. While FY2022 is sure to be another challenging year, the promise of new vaccines gives us hope that a full return as envisioned is achievable.

The challenges were abundant this year, but there were plenty of silver linings, too! Incredibly, amidst the backdrop of a pandemic, we managed to implement later school start times and a district-wide redistricting plan, initiatives that would have been hard to pull off in a typical year. In November, Hastings Elementary School was named a National Blue Ribbon School of Excellence, joining the ranks of Bridge and Harrington Elementary Schools and Clarke Middle School! Most of all, the 2019–2020 school year taught us that no matter how great the challenge, we can get through anything together. Wishing all the citizens of Lexington a healthy, happy, and joyous 2021!

Sincerely,

Dr. Julie Hackett
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 PreK–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.

Please refer to complete document beginning on page 17.

Organizational Structure

The Education Reform Act of 1993 determined that the School Committee’s charge is (1) to select and 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: 2021
Eileen Jay, Vice Chair	Term Expires: 2022
Deepika Sawhney	Term Expires: 2021
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 FY2022 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/36R69bl>.

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 October 27, 2020, the School Committee voted the FY2022 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 FY2022. 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 increases in enrollment, all legal requirements, including current collective bargaining requirements, and special education laws. The FY2022 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 2022 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;
 - 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 continue to leverage and support social and emotional learning efforts throughout the district.
 9. 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.
 10. Identify costs, impacts, and an implementation plan associated with potential continuation related to the COVID-19 health crisis remote learning and hybrid learning models.
 11. 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:

2020

September 29–October 12	Review capital proposals: Superintendent, Director of Public Facilities, and Assistant Superintendent for Finance and Operations
September 29–October 12	Superintendent, Director of Public Facilities, and Assistant Superintendent for Finance and Operations discuss project requests with administrators
October 6	School Committee reviews FY2022 budget calendar
October 6 (tentative)	School Committee approves FY2022 budget calendar and reviews the FY2022 budget guidelines
October 6	School Committee Reviews Proposed LPS Technology Capital Budget Request
October 8	Summit I: Financial Indicators; 5–Year Forecast; Initial Revenue Projection



October 9	FY2022 IT capital budget submitted to Town of Lexington
October 9	Google Form link distributed for FY2022 staffing and expense budget requests. FY2022 Google Form requests for staffing and expenses are due to the Assistant Superintendent for Finance and Operations at the date of individual budget meeting.
October 14	Special Town Meeting Vote on Revised FY2021 Budget
October 19–October 23	SPED budget staffing meetings (with Assistant Superintendent for Finance and Operations, Assistant Director of Finance, ETS, Director of Special Education, and building principals)
October 20	Recommended FY2022 capital budget requests approved by the School Committee (School Department and Public Facilities)
October 23	Submittal of Town (Municipal & School) FY2022–2026 Capital Requests to Capital Expenditure Committee (CEC) and Community Preservation Committee (CPC)
October 28–November 16	Budget Review: Central Office and department staff meet at assigned times with Assistant Superintendent for Finance and Operations and Assistant Director of Finance
November 5	Summit II: Final Revenue Allocation Model
December 18 (tentative)	Superintendent finalizes FY2022 budget recommendation
December 23 – January 1	School Vacation Week

2020-2021

December 30	Budget distributed to School Committee and posted to website
January 5	School Committee Meeting: Superintendent’s Budget Presentation
January 11, 2021	Town Manager Submittal of Preliminary Operating and Capital Budget to Select Board (White Book)
January 12, 8:00 a.m.	Public hearing: School Committee Public Hearing and discussion of the Superintendent’s Recommended FY2022 Budget: Location: TBD
January 14, 2021 (tentative)	Summit III: FY2022 White Book Review
January 19	Public Hearing: Superintendent’s Recommended FY2022 Budget: Location: Select Board’s Meeting Room



February 2	School Committee FY2022 budget discussions, consideration of community feedback on FY2022 Operating Budget (including fees) and FY2021 Capital Budget
February 6 (tentative)	Summit IV: Changes to FY2022 White Book to be included in Brown Book
TBD	2021 Annual Town Meeting School Committee Fiscal Year 2022 Recommended Operating Budget document finalized (TMMA)
February 15 (tentative)	Select Board vote to approve FY2022 Recommended Operating Budget and FY2022–2026 Capital Improvement Plan (CIP)
February 23	School Committee adopts FY2022 Operating Budget (including fees) and FY2022 Capital Budget
March 8 (tentative)	Distribution of FY2022 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 16	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 10/6/2020

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: FY2022 Revenue Allocation Model
- Summit III: FY2022 White Book Review
- Summit IV: FY2022 Brown Book Preview

The Revenue Allocation Model, first presented at Summit II on November 5, 2020, provides for a projected 3.8% increase over the School Department’s FY2021 budget, the detail of which is broken out in the table that follows:



*Town of Lexington
Financial Summit II*

FY2022 Revenue Allocation Model

\$249,700		Projected FY2022 Revenue		
	Shared	Municipal	School	(Ss in 000s)
(1)	\$ (118,358)	\$ —	\$ (118,358)	FY2021 School Budget
(2)	\$ (41,599)	\$ —	\$ (41,599)	FY2021 Municipal Budget
(3)	\$ (619)	\$ —	\$ (619)	Tax Levy Support of Community Center (Article 5)
(4)	\$ (3,357)	\$ (3,357)	\$ —	FY2022 Minuteman
(5)	\$ (7,430)	\$ (7,430)	\$ —	FY2022 Contributory Retirement
(6)	\$ (16)	\$ (16)	\$ —	FY2022 Non-Contributory Retirement
(7)	\$ (31,337)	\$ (31,337)	\$ —	FY2022 Benefits
(8)	\$ (300)	\$ (300)	\$ —	FY2022 Unemployment
(9)	\$ (750)	\$ (750)	\$ —	FY2022 Workers' Comp
(10)	\$ (845)	\$ (845)	\$ —	FY2022 Property and Liability Insurance
(11)	\$ (250)	\$ (250)	\$ —	FY2022 Uninsured Losses
(12)	\$ (390)	\$ (390)	\$ —	FY2022 Solar Production Payment
(13)	\$ (8,148)	\$ (8,148)	\$ —	FY2022 Debt Service
(14)	\$ (2,320)	\$ (2,320)	\$ —	Pay Down Principal for Land Purchases
(15)	\$ (750)	\$ (750)	\$ —	FY2022 Reserve Fund
(16)	\$ (12,177)	\$ (12,177)	\$ —	FY2022 Facilities Department Budget
		\$ (500)	\$ —	Set-Aside for as yet to be identified needs;
		\$ (200)	\$ —	Unanticipated Current Fiscal Year Needs
		TBD	\$ —	Debt Service Mitigation
		\$ (2,562)	\$ —	Capital Stabilization Fund
(17)	\$(14,923)	\$ —	\$ —	Transition Free Cash out of Operating Budget - 3rd of 5 years
		\$ (4,901)	\$ —	Cash Capital
		\$ (1,880)	\$ —	OPEB
		\$ (2,652)	\$ —	Street Improvement Program
		\$ (214)	\$ —	Building Envelope Program
		\$ (15)	\$ —	Senior Tax Work-Off Program
(18)	\$ (243,569)	\$ (82,994)	\$ (118,358)	Base Budget - Used for Allocation
		26.3%	73.7%	Percentage - Municipal and School Only
(19)	\$ 6,131	\$ 1,612	\$ 4,519	Incremental Revenue
		3.8%	3.8%	Percent of Current Budget

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

- FY2022: 3.8%
- FY2021: 4.3%
- FY2020: 5.4%
- FY2019: 6.9%
- FY2018: 6.6%
- FY2017: 7.2%
- FY2016: 8.5%



Recommended Budget and Summary of Significant Budget Changes

Funding Sources	FY18 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2022 Budget Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 101,204,582	\$ 107,667,945	\$ 113,222,275	\$ 118,269,156	\$ 122,633,481	\$ 4,364,325	3.85%
Fees & Charges	\$ 450,600	\$ 443,500	\$ 331,482	\$ 88,500	\$ 243,500	\$ 155,000	46.76%
Special Ed Stabilization Fund	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 500,000	
Total 1100 Lexington Public Schools	\$ 101,655,182	\$ 108,111,445	\$ 113,553,757	\$ 118,357,656	\$ 123,376,981	\$ 5,019,325	4.24%

Appropriation Summary	FY18 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Recommended	FY 2022 Budget Recommended	Dollar Increase	Percent Increase
Salary and Wages	\$ 85,948,669	\$ 90,271,520	\$ 94,593,795	\$ 98,932,332	\$ 102,654,658	\$ 3,722,326	3.76%
Expenses	\$ 15,706,513	\$ 16,832,878	\$ 15,015,367	\$ 19,425,324	\$ 20,222,323	\$ 796,999	4.10%
Total	\$ 101,655,182	\$ 107,104,398	\$ 109,609,162	\$ 118,357,656	\$ 122,876,981	\$ 4,519,325	3.82%
Special Education Stabilization Fund					\$ 500,000		
Grand Total 1100 Lexington Public Scho	\$ 101,655,182	\$ 107,104,398	\$ 109,609,162	\$ 118,357,656	\$ 123,376,981	\$ 5,019,325	4.24%

* 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 \$ 123,376,981 \$ 5,019,325

Unallocated from Revenue Allocation Model \$ -

The School Department was allocated a Revenue increase of \$4,519,325 (3.82% increase) for FY2022 through the Revenue Allocation Model adopted at Summit II. In addition, the School Department will be requesting a \$500,000 allocation out of the Special Education Stabilization Fund for FY2022.

For FY2022 the salaries and wages line is increased by \$3,722,326 (or 3.76%) to support existing position cost of living adjustment increases, lane changes, and step increases. Salaries and wages comprise 83.54% of the School Department budget. The expense line is recommended to increase by \$796,999 (or 4.1%) over the FY2021 appropriation.

Negotiated Salary Increases

The FY2022 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 and corresponding expiration dates can be seen below:

Bargaining Unit	Contract Term
LEA: Unit A	09/01/2019 – 08/31/2022
LEA: Unit C	09/01/2018 – 08/31/2021
LEA: Unit D	07/01/2019 – 06/30/2023
LEA: Tech	07/01/2018 – 06/30/2021
ALA: Administrators	07/01/2019 – 06/30/2022



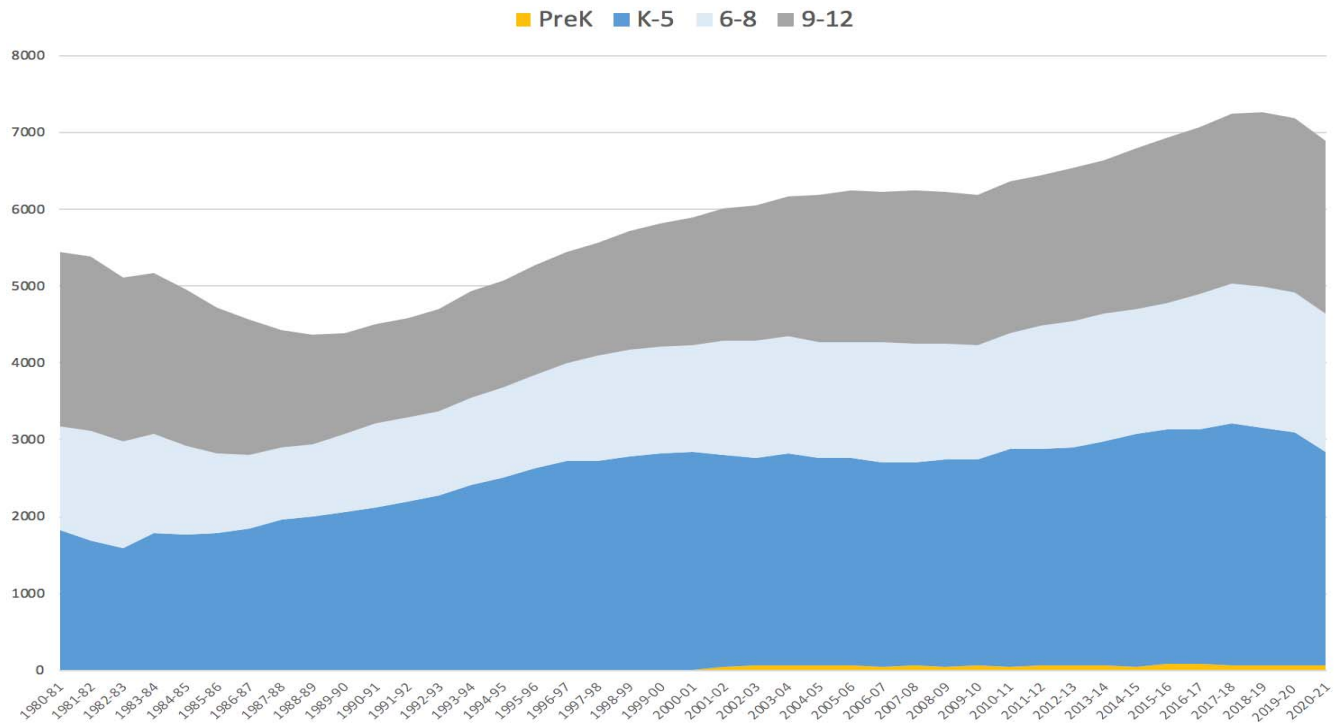
Enrollment Fluctuation and Changing Operational Conditions Due to the Pandemic

Enrollment is obviously one of the key drivers in the school budget. As student enrollment expands or contracts it will impact staffing and other financial requirements. Equally important as the actual headcount are the demographics of our students and the environment the district has to navigate to successfully offer the robust, diverse, and inclusive programming the community has desired. For FY2021 these conditions have offered particular challenges. LPS and our community are in the midst of the global COVID-19 pandemic. These conditions required LPS to switch to remote instruction for all students beginning in March 2020. During the 2020–21 school year, LPS implemented full-time remote learning for families who opted to continue with this learning model, a week in / week remote Hybrid learning model, and full-time in-person learning for our most vulnerable learners. The use of this academic model has affected staffing requirements, increased expenses for supplies and materials, and has affected other operational activities such as bus transportation, food service, and technology needs and service delivery. Some of these additional expenses are funded in FY2021 through the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, Elementary and Secondary Education Emergency Relief (ESSER) Fund and Coronavirus Relief Fund (CvRF) School Reopening Grants. These funds currently are set to expire on December 30, 2020 and June 30, 2020, respectively, and are not identified funding sources for the FY2022 Budget Recommendation.

During the previous five years, K–12 enrollment at the Lexington Public Schools had increased by 389 students (+5.78%), or an average of 78 students per year (or 1.16% per year). These past increases have had a direct impact on the School Department’s operating budget each year to accommodate these new students and maintain the level of programming offered by Lexington Public Schools. However, like many school systems across the Commonwealth, LPS experienced a drop in enrollment for the fall 2020–2021 school year. As of October 1, 2020, K–12 enrollment was 6,844 (or 6,901 PK–12). This was a decrease of 278 students, or -3.9%, K–12 from the previous year, a level not experienced since the 1982–1983 school year when enrollment contracted by 275 students or -5.11%. The enrollment projection for school year 2020–2021 built for the FY2021 School Department Budget was 7180. The graph below (Graph E-1) shows the relative change in student enrolment from school year 1980–1981 through school year 2020–2021.



Graph E-1: LPS PK–12 Annual Enrollment Over Time



The majority of this decline comes from the elementary level (229 out of the total 278 decrease from the prior year—see Table E-1 for grade level details). A portion of this decrease appears to be the consequence of lower than typical kindergarten enrollments. 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, this year’s decline of 73 K students was much sharper.

Table E-1: LPS Enrollments By Grade: FY2019 to FY2021

	2016-17	2017-18	2018-19	2019-20	2020-21	1 year chg
K	414	412	401	382	309	-73
1	493	493	467	453	408	-45
2	503	526	509	507	480	-27
3	556	535	552	538	507	-31
4	577	590	560	563	532	-31
5	523	594	605	576	554	-22
6	608	568	619	615	567	-48
7	598	630	574	625	601	-24
8	537	615	640	588	625	37
9	552	530	598	607	550	-57
10	555	576	542	591	599	8
11	557	554	572	526	582	56
12	521	552	551	551	530	-21
K–5	3,066	3,150	3,094	3,019	2,790	-229
6–8	1,743	1,813	1,833	1,828	1,793	-35
9–12	2,185	2,212	2,263	2,275	2,261	-14
K–12	6,994	7,175	7,190	7,122	6,844	-278



In an effort to understand the drop in enrollment, the district examined student transfer reasons as captured in ASPEN/X2, our student information management system. The table below (Table E-2) shows the relative changes 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. The largest increase was in the number transferring to in-state private schools (an increase of 112 students from the prior year).

Table E-2: LPS Transfer Reasons FY2020 vs. FY2021

Grade in FY21	Transferred In state public		Transferred In state private		Transferred Out-of-State (public or private)		Transferred Homeschool	
	October 2019–20	October 2020–21	October 2019–20	October 2020–21	October 2019–20	October 2020–21	October 2019–20	October 2020–21
K	3	5	0	7	3	5	0	0
1	2	11	2	11	5	5	0	5
2	4	3	1	10	11	12	0	2
3	3	9	2	17	4	8	0	1
4	2	10	2	12	4	12	1	4
5	5	6	1	10	11	20	0	0
6	6	3	6	20	10	13	0	0
7	6	10	2	13	5	18	0	2
8	3	22	3	21	6	13	0	0
9	8	5	14	14	19	16	0	0
10	1	5	8	10	13	7	0	1
11	2	3	3	8	7	6	0	0
12	5	1	1	4	6	1	0	0
Total	50	93	45	157	104	136	1	15

(Source: LPS SIMS)

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.

In addition to the context offered earlier, at the time of this report, distribution of a newly available Coronavirus vaccine had just begun. While this is very much welcomed news and may allow for a return to more typical school operations, we continue to plan and budget in a highly uncertain environment. There is also a widely held assumption that the current pandemic may trigger a national recession. LPS, of course, cannot predict when and if a recession will occur and how long it's duration will be. We do

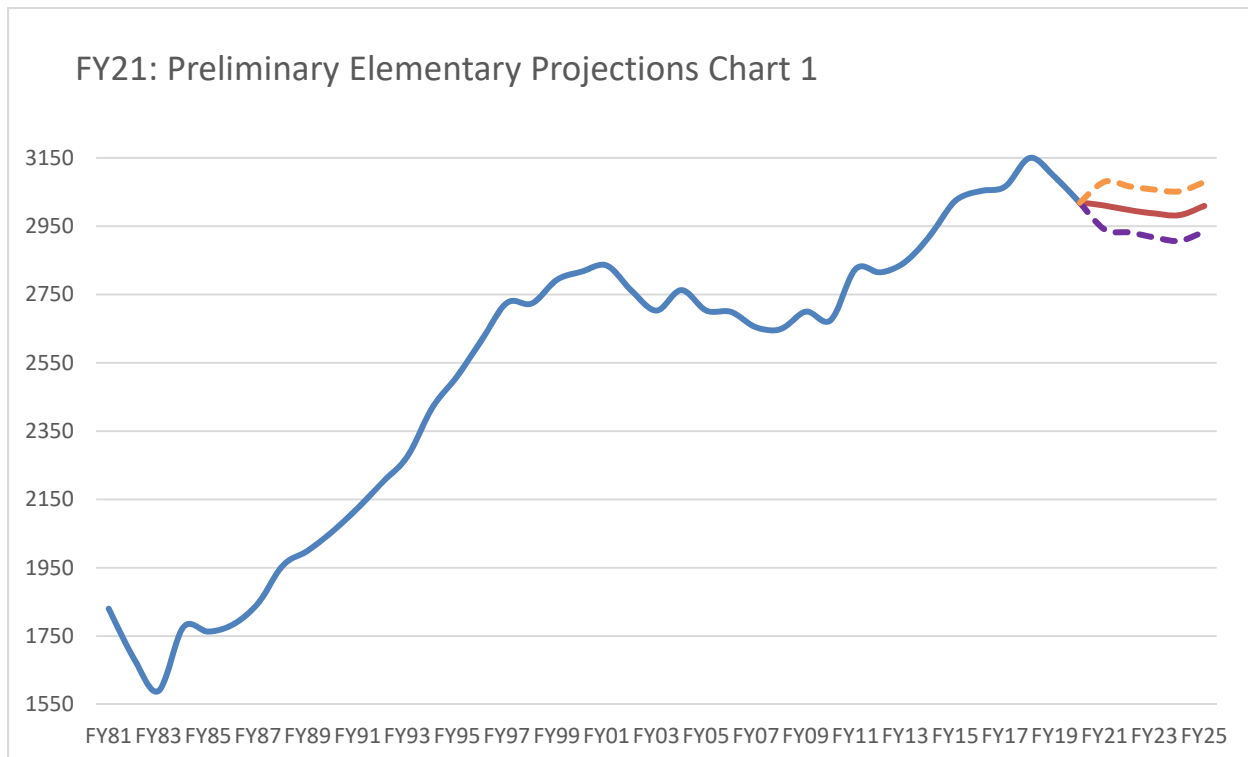


know regional and other higher level economic conditions generally do have an impact on our enrollment and therefore must be mindful of this potential future event.

For the purpose of future planning, LPS will carry forward the enrollment projections produced in FY2019 (see the following table E-3 and graphs 1 - 3). The decision to carry over the prior year projection assumes 2020–21 enrollment is an outlier and will therefore be excluded from enrollment projections. It also assumes successful, wide distribution of an effective COVID-19 vaccine in addition to continued use of risk mitigation strategies for the remainder of the 2021–20 school year. If COVID-19 can be dramatically reduced allowing a return to normal operations, this projection also reflects an assumption the majority of families who delayed kindergarten enrollment or transferred into local private schools will return to LPS. For scenarios where smaller numbers return, the lower end of the confidence interval should be considered.

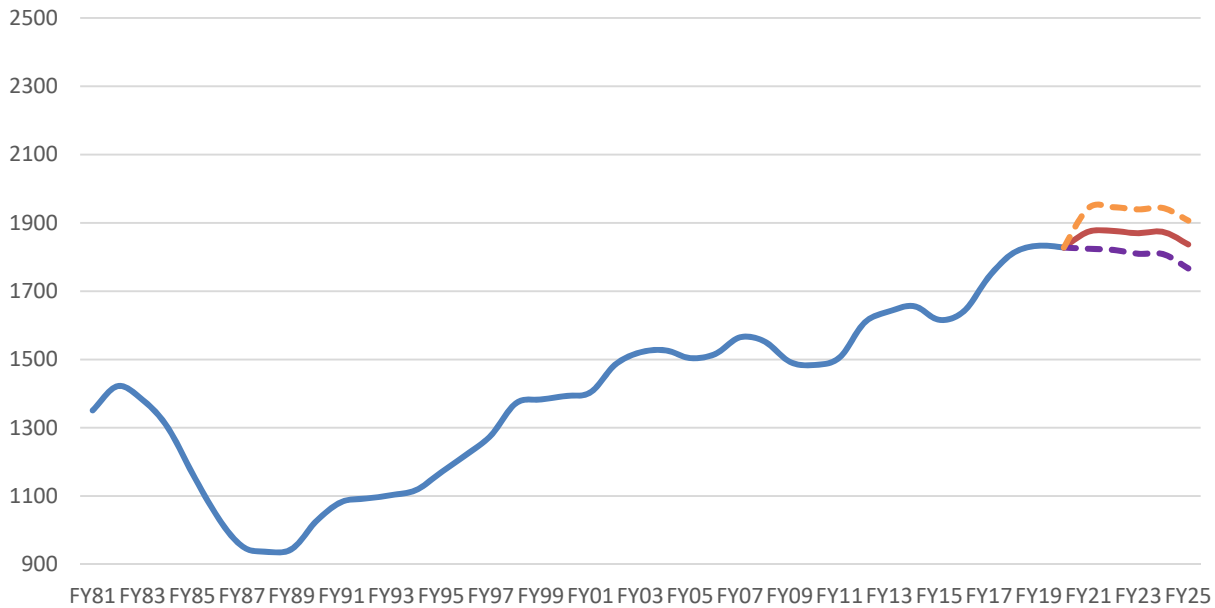
Table E-3 FY2020 Enrollment Projections

	2020–21 (Actual)	2021–22 (Projected)	2022–23 (Projected)	2023–24 (Projected)
K–5	2790	2997	2987	2982
Conf Int.		+/-65	+/-70	+/-75
6–8	1793	1876	1870	1873
Conf Int.		+/-55	+/-60	+/-65
9–12	2261	2396	2444	2455
Conf Int.		+/-40	+/-50	+/-60
K–12	6844	7269	7302	7311
Conf Int.		+/-135	+/-150	+/-160

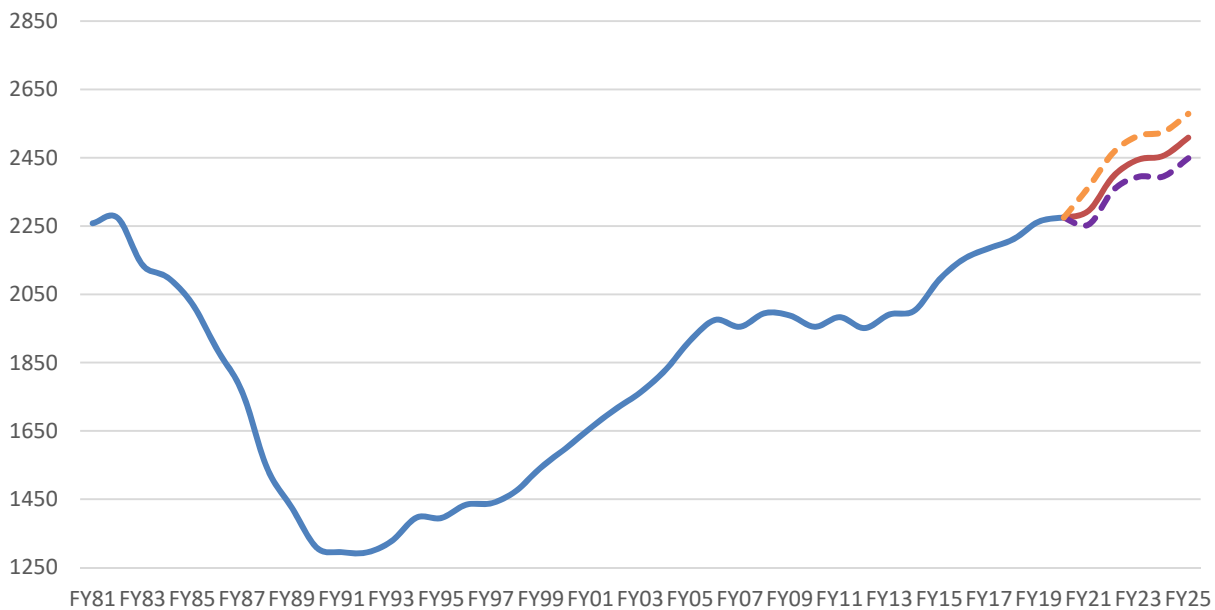




FY21: Preliminary Middle School Projections Chart 2



FY21: Preliminary High School Projections Chart 3





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 linear model that incorporates 30 years of historical kindergarten enrollments. Average grade-to-grade progression rates are then applied to the rest of the grades.

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.

Request Category	Program	Sum of FTE GRANTED
Mandate	PE/Health/Wellness K-12	0.10
	Special Education	16.93
	Lexington Children's Place	0.30
Program Improv	K-12 Counseling	-
	PE/Health/Wellness	1.00
Base	LHS	(0.25)
	Special Education	(12.85)
	Fiske	(1.00)
	K-12 ELL	(0.55)
	Finance & Operations	(0.50)
SUPP	Special Education	(1.42)
	6-8 World Language	(0.25)
	Bridge	(0.80)
	Health Services	(1.50)
	Hastings	(1.00)
	K-5 Literacy	(1.00)
	K-12 ELL	(0.25)
Enrollment	K-12 Counseling	-
	K-12 Performing Arts	0.20
	Special Education	(3.87)
	Math Department - Diamond	0.50
	6-8 World Language	0.25
Grand Total		(6.0)

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.

	10/1/2015	10/1/2016	10/1/2017	10/1/2018	10/1/2019	10/1/2020
High School Students	49.5	54	53.5	52	62	71
Post Graduate Students	2	1	1	1	4	0
Total	51.5	55	54.5	53	66	71

Appropriated/Authorized Staffing:

No Town staff are charged to this budget.

Budget Recommendations

The FY2022 recommended budget for the Minuteman Regional High School assessment is \$3,130,038, an increase \$266,891 or 9.32% from the FY2021 budget. 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 \$927,892 in debt service, an increase of \$217,983 or 30.7%.

The annual assessment is broken out as follows -

Category	FY2019	FY2020	FY2021	FY2022	\$ Change	% Change
Minimum Required Contribution	\$ 767,722	\$ 799,005	\$ 1,057,954	\$ 1,156,993	\$ 99,039	9.4%
Transportation Assessment	\$ 67,089	\$ 86,714	\$ 83,516	\$ 109,594	\$ 26,078	31.2%
Remaining Operating Assessment	\$ 810,755	\$ 962,102	\$ 1,011,769	\$ 935,559	\$ (76,210)	(7.5)%
Capital/Debt Service	\$ 476,851	\$ 618,510	\$ 709,909	\$ 927,892	\$ 217,983	30.7%
Post-Graduate	\$ 3,800	\$ 3,800	\$ —		\$ —	—%
Total Assessment	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.3%

*Numbers may not add due to rounding.

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%
Total 1200 Minuteman	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Expenses	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%
Total 1200 Minuteman	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%

Level-Service Requests	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 1200 Minuteman	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%
Total 1200 Minuteman	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Compensation</i>	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Contractual Services	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%
Utilities	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Supplies	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	<i>\$ 2,126,217</i>	<i>\$ 2,470,131</i>	<i>\$ 2,863,147</i>	<i>\$ 3,130,038</i>	<i>\$ 266,891</i>	<i>9.32%</i>
Total 1200 Minuteman	\$ 2,126,217	\$ 2,470,131	\$ 2,863,147	\$ 3,130,038	\$ 266,891	9.32%

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Section IV: Program 2000: Shared Expenses

This section includes detailed information about the FY2022 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 FY2022 recommended All Funds Employee Benefits and Insurance budget is \$39,994,422. This is a \$1,896,354 or 4.98% increase from the FY2021 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, 2020.

Changes Include:

1. A \$731,963, or 10.95% increase in Contributory Retirement based on a funding schedule included in the January 1, 2020 actuarial valuation of the Lexington Retirement System. Of that amount, \$400,000 is funded from Free Cash, which represents the increase from the 2020 Pension Revaluation. This schedule would result in full funding of the system's unfunded liability by 2028, given the current actuarial assumptions.
2. A \$420 or 2.64% increase in Non-Contributory Retirement costs for employees receiving pensions awarded prior to the creation of the Contributory Retirement system.
3. A \$(14,102) or (0.71)% decrease in the Town's contribution for the Medicare Tax based on FY2020 actual costs, projected FY2021 and FY2022 salaries and wages, new municipal positions, and historical rates of increase in this item.
4. A \$1,243,175 or 4.60% increase in health insurance costs (General Fund). The FY2022 budget is based on an increase of 5.0% in health insurance premiums across all plans 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 new municipal positions.
5. A \$(46,379) or (4.07)% decrease in dental insurance costs (General Fund) based on the anticipated level-funding of premium rates for FY2022.
6. No increase in life insurance costs based on projected enrollments.
7. A \$100,000 or 50.00% increase in unemployment insurance based on increased utilization as a result of the pandemic, which will likely carry into FY2022.
8. A \$(125,000) or (14.29)% decrease in workers' compensation costs to a total of \$750,000. As of June 30, 2020, this continuing appropriation account had a total balance of \$2,020,625. In light of the fund balance, staff recommend a slight reduction in the appropriation for FY2022. A further analysis will be undertaken to determine the target fund balance in order to ensure that the Town has sufficient reserves for this self-funded expense. Further adjustments will likely be made in FY2023.

2100 Employee Benefits & Insurance

Budget Summary - General Fund

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 31,693,527	\$ 33,802,865	\$ 37,196,996	\$ 38,837,209	\$ 1,640,214	4.41%
Transfers from Enterprise Funds to General Fund (Indirects)	\$ 680,751	\$ 708,643	\$ 762,237	\$ 611,775	\$ (150,462)	-19.74%
Free Cash for Updated Pension Schedule	\$ —	\$ —	\$ —	\$ 400,000	\$ 400,000	—%
PEG Access Special Revenue Fund	\$ 4,665	\$ 4,976	\$ 5,250	\$ 5,575	\$ 325	6.19%
Total 2100 Employee Benefits	\$ 32,378,943	\$ 34,516,484	\$ 37,964,483	\$ 39,854,559	\$ 1,890,077	4.98%

Appropriation Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 83,715	\$ 80,546	\$ 98,542	\$ 115,083	\$ 16,541	16.79%
Expenses	\$ 32,295,227	\$ 34,435,938	\$ 37,865,941	\$ 39,739,476	\$ 1,873,536	4.95%
Total 2100 Employee Benefits	\$ 32,378,943	\$ 34,516,484	\$ 37,964,483	\$ 39,854,559	\$ 1,890,077	4.98%

Level-Service Requests (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 2110 Contributory Retirement	\$ 5,940,077	\$ 6,334,436	\$ 6,685,537	\$ 7,417,500	\$ 731,963	10.95%
Total 2120 Non-Contributory Retirement	\$ 15,067	\$ 15,487	\$ 15,907	\$ 16,327	\$ 420	2.64%
<i>Subtotal - Retirement</i>	<i>\$ 5,955,144</i>	<i>\$ 6,349,923</i>	<i>\$ 6,701,444</i>	<i>\$ 7,433,827</i>	<i>\$ 732,383</i>	<i>10.93%</i>
Total 2130 Medicare	\$ 1,759,333	\$ 1,851,593	\$ 1,996,229	\$ 1,982,126	\$ (14,102)	-0.71%
Total 2130 Health Insurance	\$ 22,585,970	\$ 24,133,417	\$ 27,026,973	\$ 28,270,148	\$ 1,243,175	4.60%
Total 2130 Dental Insurance	\$ 1,038,157	\$ 1,072,635	\$ 1,139,837	\$ 1,093,459	\$ (46,379)	-4.07%
Total 2130 Life Insurance	\$ 20,208	\$ 21,571	\$ 25,000	\$ 25,000	\$ —	—
<i>Subtotal - Health/Life Benefits</i>	<i>\$ 25,403,668</i>	<i>\$ 27,079,216</i>	<i>\$ 30,188,039</i>	<i>\$ 31,370,733</i>	<i>\$ 1,182,694</i>	<i>3.92%</i>
Total 2140 Unemployment	\$ 137,751	\$ 200,000	\$ 200,000	\$ 300,000	\$ 100,000	50.00%
Total 2150 Workers Compensation*	\$ 882,380	\$ 887,346	\$ 875,000	\$ 750,000	\$ (125,000)	-14.29%
<i>Subtotal - Other Employee Benefits</i>	<i>\$ 1,020,131</i>	<i>\$ 1,087,346</i>	<i>\$ 1,075,000</i>	<i>\$ 1,050,000</i>	<i>\$ (25,000)</i>	<i>-2.33%</i>
Total 2100 Employee Benefits	\$ 32,378,943	\$ 34,516,484	\$ 37,964,483	\$ 39,854,559	\$ 1,890,077	4.98%

Object Code Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 83,715	\$ 80,546	\$ 98,542	\$ 115,083	\$ 16,541	16.79%
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	—
<i>Personal Services</i>	<i>\$ 83,715</i>	<i>\$ 80,546</i>	<i>\$ 98,542</i>	<i>\$ 115,083</i>	<i>\$ 16,541</i>	<i>16.79%</i>
Contractual Services	\$ 32,295,227	\$ 34,435,938	\$ 37,865,941	\$ 39,739,476	\$ 1,873,536	4.95%
Utilities	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	\$ —	\$ —	\$ —	\$ —	\$ —	—
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—
<i>Expenses</i>	<i>\$ 32,295,227</i>	<i>\$ 34,435,938</i>	<i>\$ 37,865,941</i>	<i>\$ 39,739,476</i>	<i>\$ 1,873,536</i>	<i>4.95%</i>
Total 2100 Employee Benefits	\$ 32,378,943	\$ 34,516,484	\$ 37,964,483	\$ 39,854,559	\$ 1,890,077	4.98%

Budget Summary - Revolving Funds*

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Directed Funding (Revolving Funds)	\$ 73,436	\$ 119,250	\$ 133,586	\$ 139,863	\$ 6,277	4.70%
Total 2100 Employee Benefits	\$ 73,436	\$ 119,250	\$ 133,586	\$ 139,863	\$ 6,277	4.70%

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

Level-Service Requests (Revolving Funds)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 2130 Health Insurance	\$ 69,867	\$ 117,343	\$ 129,199	\$ 135,729	\$ 6,530	5.05%
Total 2130 Dental Insurance	\$ 3,569	\$ 1,908	\$ 4,387	\$ 4,134	\$ (253)	-5.77%
Total 2100 Employee Benefits	\$ 73,436	\$ 119,250	\$ 133,586	\$ 139,863	\$ 6,277	4.70%

Budget Summary - All Funds

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 83,715	\$ 80,546	\$ 98,542	\$ 115,083	\$ 16,541	16.79%
Expenses	\$ 32,368,663	\$ 34,555,188	\$ 37,999,527	\$ 39,879,339	\$ 1,879,813	4.95%
Total 2100 Employee Benefits	\$ 32,452,379	\$ 34,635,735	\$ 38,098,069	\$ 39,994,422	\$ 1,896,354	4.98%

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.

In 2020, the Town reached an agreement with the Public Employees Committee to remain in the GIC through FY2022.

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

	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	Budgeted FY2021	Projected FY2022	Increase FY2021 to FY2022
Town ⁽¹⁾	\$ 3,825,356	\$ 3,445,544	\$ 3,666,464	\$ 4,020,607	\$ 4,560,020	\$ 4,874,424	6.89%
School	\$ 10,914,892	\$ 11,232,098	\$ 11,963,065	\$ 13,082,007	\$ 14,774,482	\$ 15,502,288	4.93%
Retirees	\$ 6,836,915	\$ 6,790,042	\$ 6,874,199	\$ 6,952,538	\$ 7,610,230	\$ 7,815,172	2.69%
Total	\$ 21,577,163	\$ 21,467,685	\$ 22,503,728	\$ 24,055,153	\$ 26,944,732	\$ 28,191,884	4.63%
Mitigation Fund ⁽²⁾	---	\$ 300,000	---	---	---	---	---
Medicare Part B Penalty ⁽³⁾	\$ 97,090	\$ 88,628	\$ 82,241	\$ 78,264	\$ 82,241	\$ 78,264	(4.84)%
Net Budget Amount	\$ 21,674,253	\$ 21,856,313	\$ 22,585,970	\$ 24,133,417	\$ 27,026,973	\$ 28,270,148	4.60%

(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⁾

				FY2021 Budget	FY2022 Budget
Actual Subscribers				Based on Actual Subscribers, plus Additional Projected Lives shown below	
Subscribers	Nov. 2016 (FY2017)	Nov. 2017 (FY2018)	Nov. 2018 (FY2019)	Nov. 2019 (FY2020)	Nov. 2020 (FY2021)
Municipal					
Individual	83	81	96	107	98
Family	178	176	164	168	171
subtotal	261	257	260	275	269
School					
Individual	333	336	356	350	358
Family	494	502	536	561	555
subtotal	827	838	892	911	913
Retirees					
	1,243	1,269	1,289	1,307	1,302
subtotal	2,331	2,364	2,441	2,493	2,484
Additional projected lives for budget purposes					
Position Vacancies					
Municipal				13	18
School				8	13
subtotal				21	31
Estimated Open Enrollment / Qualifying Events ⁽²⁾					
Individual				9	9
Family				27	27
Retirees				44	44
subtotal				80	80
total	2,331	2,364	2,441	2,594	2,595
New Positions					
School ⁽³⁾				3	0
Municipal ⁽³⁾				3	2
Facilities Dept.				1	0
subtotal				7	2
Estimated Reduction in Subscribers					
Retirees				(34)	(34)
total	2,331	2,364	2,441	2,567	2,563
<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 FY2022 overall recommendation for Property and Liability Insurance is \$1,095,000, which is level-funded from the FY2021 appropriation.

1. Property and liability insurance is level-funded. Actual premium increases for FY2021 were less than projected during budget development due to a new procurement. For FY2022, the actual premiums for all coverage were increased by approximately 7.5%.
2. No funding increase in the budget for uninsured losses. The balance in this continuing balance account as of June 30, 2020, is \$774,208. Due to the flood that damaged the Town Office building server room and other offices in February 2020, the fund was used extensively in FY2020. Insurance claims are still being processed, and Town Meeting may be asked to authorize transfers of some of those monies back into the fund.

2200 Property & Liability Insurance

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 951,458	\$1,022,643	\$ 1,061,904	\$ 1,069,961	\$ 8,057	0.76 %
Transfers from Enterprise Funds to General Fund (Indirects)	\$ 31,327	\$ 32,113	\$ 33,096	\$ 25,039	\$ (8,057)	(24.34)%
Total 2200 Property & Liability Insurance	\$ 982,786	\$1,054,756	\$ 1,095,000	\$ 1,095,000	\$ —	— %

Appropriation Summary

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 32,641	\$ 35,090	\$ 34,188	\$ 36,338	\$ 2,150	6.29 %
Expenses	\$ 950,145	\$1,019,666	\$ 1,060,812	\$ 1,058,662	\$ (2,150)	(0.20)%
Total 2200 Property & Liability Insurance	\$ 982,786	\$1,054,756	\$ 1,095,000	\$ 1,095,000	\$ —	— %

Level-Service Requests

Level-Service Requests	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 2210 Property & Liability Insurance	\$ 732,786	\$ 804,756	\$ 845,000	\$ 845,000	\$ —	— %
Total 2220 Uninsured Losses	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ —	—
Total 2200 Property & Liability Insurance	\$ 982,786	\$1,054,756	\$ 1,095,000	\$ 1,095,000	\$ —	— %

Object Code Summary

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 32,641	\$ 35,090	\$ 34,188	\$ 36,338	\$ 2,150	6.29 %
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	—
<i>Compensation</i>	<i>\$ 32,641</i>	<i>\$ 35,090</i>	<i>\$ 34,188</i>	<i>\$ 36,338</i>	<i>\$ 2,150</i>	<i>6.29 %</i>
Contractual Services	\$ 950,145	\$1,019,666	\$ 1,060,812	\$ 1,058,662	\$ (2,150)	(0.20)%
Utilities	\$ —	\$ —	\$ —	\$ —	\$ —	—
Supplies	\$ —	\$ —	\$ —	\$ —	\$ —	—
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—
<i>Expenses</i>	<i>\$ 950,145</i>	<i>\$1,019,666</i>	<i>\$ 1,060,812</i>	<i>\$ 1,058,662</i>	<i>\$ (2,150)</i>	<i>(0.20)%</i>
Total 2200 Property & Liability Insurance	\$ 982,786	\$1,054,756	\$ 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 to 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 Public Facilities Department. 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 FY2022 overall recommendation for Solar Producer Payments is \$390,000, which is a decrease of \$(20,000) or (4.88)% from the FY2021 appropriation, and reflects recent spending levels in the account.

2300 Solar Producer Payments

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ (368,654)	\$ (306,475)	\$ (260,000)	\$ (280,000)	\$ (20,000)	7.69 %
Net-Metering Credits	\$ 720,493	\$ 691,986	\$ 670,000	\$ 670,000	\$ —	— %
Total 2300 Solar Producer Payments	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Expenses	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%
Total 2300 Solar Producer Payments	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%

Level-Service Requests	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 2300 Solar Producer Payments	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%
Total 2300 Solar Producer Payments	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Compensation</i>	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Contractual Services	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Utilities	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%
Supplies	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Expenses</i>	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%
Total 2300 Solar Producer Payments	\$ 351,839	\$ 385,512	\$ 410,000	\$ 390,000	\$ (20,000)	(4.88)%

Summary of Townwide Solar Credits and Expenses

	FY2017 Actual	FY2018 Actual**	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projection
Rooftop Solar Bill Credits	\$ 279,665	\$ 303,696	\$ 333,329	\$ 326,421	\$ 291,500	\$ 291,500
Rooftop PILOT*	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Rooftop Solar Payments	\$ (162,343)	\$ (157,038)	\$ (159,033)	\$ (173,254)	\$ (165,000)	\$ (165,000)
Net Revenue subtotal	\$ 147,322	\$ 176,658	\$ 204,296	\$ 183,167	\$ 156,500	\$ 156,500
Hartwell Solar Revenue		\$ 647,232	\$ 720,493	\$ 691,986	\$ 670,000	\$ 670,000
Hartwell PILOT*		\$ 55,400	\$ 55,400	\$ 55,400	\$ 55,400	\$ 55,400
Hartwell Annual Lease		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Hartwell Solar Payments		\$ (355,257)	\$ (351,839)	\$ (385,512)	\$ (410,000)	\$ (390,000)
Net Revenue subtotal	\$ —	\$ 348,375	\$ 425,054	\$ 362,875	\$ 316,400	\$ 336,400
Total Net Revenue	\$ 147,322	\$ 525,033	\$ 629,350	\$ 546,042	\$ 472,900	\$ 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 2021 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 \$(453,047), or (1.64)% compared to FY2021.

Within-Levy debt service is increasing by \$25,529, or 0.25%. The FY2022 within-levy debt service is recommended at \$10,397,112, which is inclusive of \$2,320,274 allocated to retire the final portion of the bond anticipation notes issued for the land purchases on Pelham Road and Bedford Street.

The Town's target increase for net within-levy debt service is 5% per year, and any amount over that is recommended to be mitigated with a transfer from the Capital Stabilization Fund. For FY2022, net within-levy debt is \$8,024,905, an increase of \$303,452 or 3.93% from FY2021 budgeted amounts; therefore, a transfer from the Capital Stabilization fund is not needed to mitigate within-levy debt service in FY2022. Transfers may be needed in future years to mitigate within levy debt service related to the Center Streetscape project and Hartwell Avenue street improvements.

FY2021 gross exempt debt service as reported on the FY2021 Tax Rate Recap \$17,284,829, which was mitigated via a \$4,600,000 transfer from the Capital Stabilization Fund. FY2022 gross exempt debt service is projected at \$16,806,253, a decrease of \$(478,576), or (2.77)% compared to FY2021 gross exempt debt service. FY2022 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 \$2,800,000 of Capital Stabilization Funds be appropriated to offset exempt debt service in FY2022.

It is notable that the authorized debt for the capital projects noted above has been mostly issued as of June 30, 2020. Exempt debt service peaks for these projects in FY2021, and both exempt debt service and related mitigation from the Capital Stabilization Fund will continue to decline until another project excluded from Proposition 2½ is authorized and issued.

The FY2022 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)	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$19,564,537	\$20,604,752	\$ 22,809,732	\$ 24,351,432	\$ 1,541,700	6.76 %
Fund Transfers						
Capital Stab. Fund - Within Levy Debt	\$ 573,500	\$ —	\$ —	\$ —	\$ —	—
Capital Stab. Fund - Exempt Debt	\$ 4,500,000	\$ 5,200,000	\$ 4,600,000	\$ 2,800,000	\$ (1,800,000)	(39.13)%
Cemetery Sale of Lots Fund	\$ 55,090	\$ 64,380	\$ 40,480	\$ 51,933	\$ 11,453	28.29 %
Betterments Fund	\$ 4,398	\$ 16,000	\$ 6,200	\$ —	\$ (6,200)	(100.00)%
Visitors Center Stabilization Fund	\$ —	\$ —	\$ 200,000	\$ —	\$ (200,000)	(100.00)%
Total Debt Service	\$24,697,525	\$25,885,132	\$ 27,656,412	\$ 27,203,365	\$ (453,047)	(1.64)%

Appropriation Summary (All Funds)	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Expenses	\$24,697,525	\$25,885,132	\$ 27,656,412	\$ 27,203,365	\$ (453,047)	(1.64)%
Total Debt Service	\$24,697,525	\$25,885,132	\$ 27,656,412	\$ 27,203,365	\$ (453,047)	(1.64)%

Gross Within Levy Debt Service	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Recommended	Dollar Increase	Percent Increase
Total 2410 Within-Levy Long-Term Principal*	\$ 6,037,364	\$ 5,968,224	\$ 6,292,000	\$ 5,626,400	\$ (665,600)	(10.58)%
Total 2420 Within-Levy Long-Term Interest	\$ 1,062,802	\$ 1,010,976	\$ 1,101,674	\$ 956,198	\$ (145,476)	(13.20)%
Total 2430 Within-Levy Short-Term Principal	\$ 3,352,967	\$ 2,275,366	\$ 2,403,450	\$ 3,373,865	\$ 970,415	40.38 %
Total 2430 Within-Levy Short-Term Interest	\$ 384,392	\$ 302,312	\$ 574,459	\$ 440,649	\$ (133,810)	(23.29)%
Total Gross Within-Levy Debt Service	\$10,837,525	\$ 9,556,878	\$ 10,371,583	\$ 10,397,112	\$ 25,529	0.25 %

Net Within Levy Debt Service	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Recommended	Dollar Increase	Percent Increase
Total 2410 Within-Levy Long-Term Principal*	\$ 6,037,364	\$ 5,968,224	\$ 6,292,000	\$ 5,626,400	\$ (665,600)	(10.58)%
Total 2420 Within-Levy Long-Term Interest	\$ 1,062,802	\$ 1,010,976	\$ 1,101,674	\$ 956,198	\$ (145,476)	(13.20)%
Total 2430 Within-Levy Short-Term Borrowing	\$ 3,737,359	\$ 2,577,678	\$ 2,977,909	\$ 3,814,514	\$ 836,605	28.09 %
Funding Set-aside to Retire Note for Land Purchases	\$ (3,050,000)	\$ (2,234,614)	\$ (2,403,450)	\$ (2,320,274)	\$ 83,176	(3.46)%
Funding from Cemetery Sale of Lots/ Betterments/Visitors Center	\$ (59,488)	\$ (80,380)	\$ (246,680)	\$ (51,933)	\$ 194,747	(78.95)%
Total Net Within-Levy Debt Service	\$ 7,728,037	\$ 7,241,885	\$ 7,721,453	\$ 8,024,905	\$ 303,452	3.93 %
Use of Capital Stabilization Fund to hold debt service increases (net of projects funded with new revenue and the retirement of notes for land purchases) to 5% annually	\$ (573,500)	\$ —	\$ —	\$ —	\$ —	— %
Total Mitigated Within-Levy Debt Service	\$ 7,154,537	\$ 7,241,885	\$ 7,721,453	\$ 8,024,905	\$ 303,452	3.93 %

Exempt Debt Service	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Recommended	Dollar Increase	Percent Increase
Total Exempt Debt Service	\$13,860,000	\$16,328,254	\$ 17,284,829	\$ 16,806,253	\$ (478,576)	(2.77)%
Use of Capital Stabilization Fund to mitigate impact of excluded debt service on property tax bills	\$ (4,500,000)	\$ (5,200,000)	\$ (4,600,000)	\$ (2,800,000)	\$ 1,800,000	(39.13)%
Net Exempt Debt Service	\$ 9,360,000	\$11,128,254	\$ 12,684,829	\$ 14,006,253	\$ 1,321,424	10.42 %
Total Gross Debt Service - All Funds	\$24,697,525	\$25,885,132	\$ 27,656,412	\$ 27,203,365	\$ (453,047)	(1.64)%
Total Net Debt Service - All Funds	\$16,514,537	\$18,370,139	\$ 20,406,282	\$ 22,031,158	\$ 1,624,876	7.96 %

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 FY2022 recommendation for the Reserve Fund is \$750,000, which is level-funded from the FY2021 appropriation.

Notes: The FY2019 and FY2020 budgets for the Reserve Fund were \$900,000 in each year.

- In FY2019, no funds were transferred from the Reserve Fund.
- 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.

For historical details regarding the amounts transferred and to which departments, please see the table in Appendix C, "Summary of Reserve Fund Transfers".

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ —	\$ —	\$ 750,000	\$ 750,000	\$ —	— %
Total 2500 Reserve Fund	\$ —	\$ —	\$ 750,000	\$ 750,000	\$ —	— %

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Expenses	\$ —	\$ —	\$ 750,000	\$ 750,000	\$ —	— %
Total 2500 Reserve Fund	\$ —	\$ —	\$ 750,000	\$ 750,000	\$ —	— %

Level-Service Requests	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 2500 Reserve Fund	\$ —	\$ —	\$ 750,000	\$ 750,000	\$ —	— %
Total 2500 Reserve Fund	\$ —	\$ —	\$ 750,000	\$ 750,000	\$ —	— %

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 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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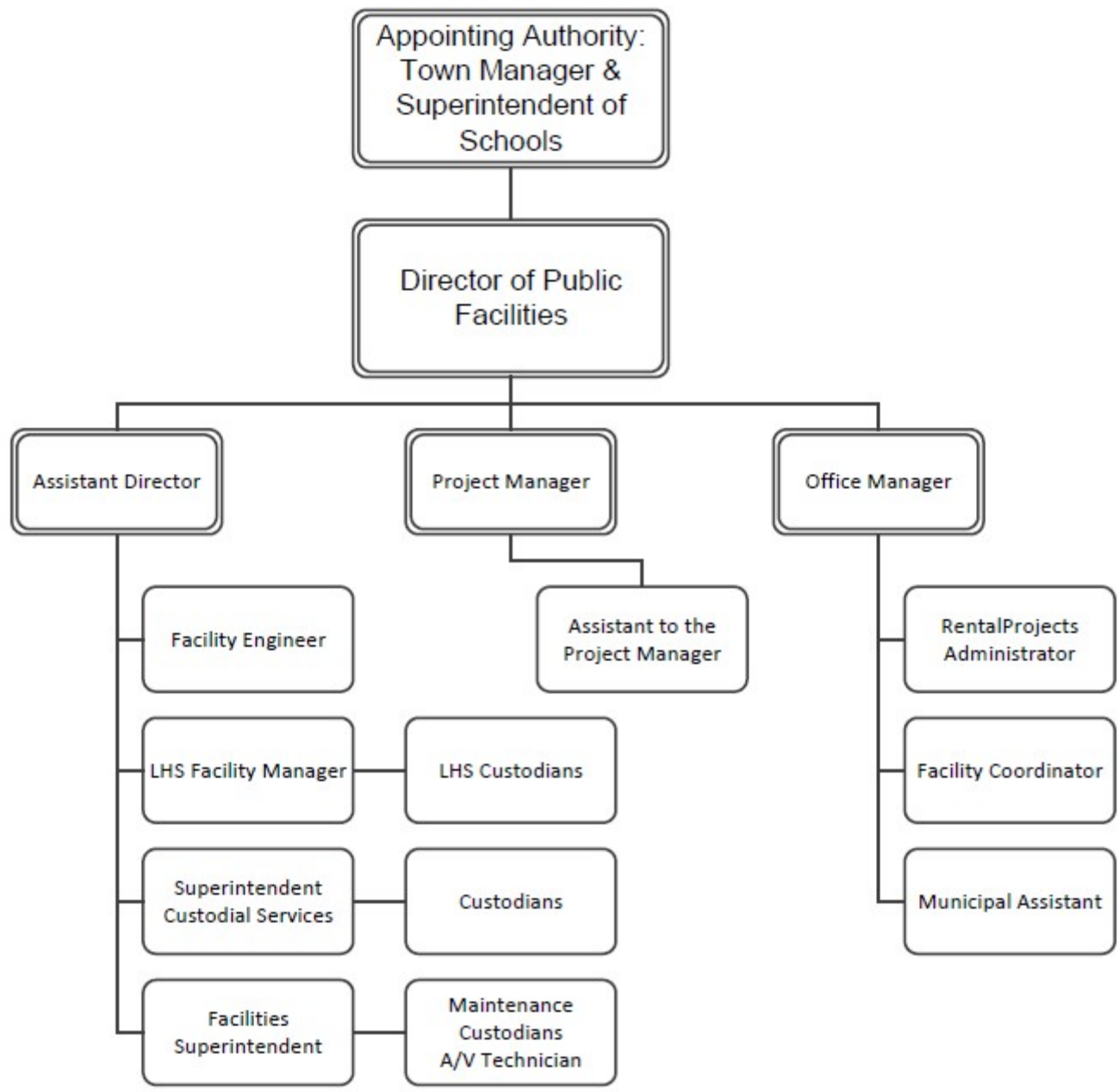


Mission: The mission of the Department of Public Facilities is to manage the efficient operation and maintenance of Town buildings, preserve the facility and equipment assets of the Town, and plan and implement capital improvements. This mission is accomplished by establishing appropriate services in 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	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 Request
Maintenance Staff*	11	11	12	12
Custodian**	52	54	54	54
Subtotal FTE	63	65	66	66

Municipal Facilities 2620

Custodian***	10	10	12	12
Subtotal FTE	10	10	12	12

Shared Facilities 2630

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	0.5
Subtotal FTE	11.5	11.5	11.5	11.5

Total FTE	84.5	86.5	89.5	89.5
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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.

** FY2020 include 2.0 additional staff for new LCP building (1.5) and (.5) Custodian for added sq ft. at Hastings Elementary School.

*** 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.

Budget Recommendations:

The FY2022 recommended All Funds Department of Public Facilities budget inclusive of the General Fund operating budget and the Building Rental Revolving Fund is \$12,722,759. The recommended budget is a \$175,561, or 1.40% increase from the FY2021 budget.

The Department of Public Facilities FY2022 recommended General Fund operating budget, inclusive of the Education Facilities, Municipal Facilities and Shared Facilities divisions, is \$12,153,365, which is a \$162,975, or 1.36% increase from the FY2021 General Fund budget.

The General Fund operating budget for Compensation is \$6,178,714, and reflects a \$186,975 or 3.12% increase, which provides contractually obligated and projected step increases and cost of living increases for the SEIU and AFSCME contracts that extend through June 30, 2021.

The General Fund operating budget for Expenses is \$5,974,651 and reflects a \$(24,000), or (0.40)% decrease. This is a net change, reflecting a transfer of \$48,000 to the Department of Public Works to fully maintain the bioretention basins at the schools, offset by an increase of \$24,000 to more fully support landscape maintenance at school buildings.

For FY2022, Utilities are 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 FY2023 budget.

The FY2022 Facilities Department recommended Building Rental Revolving Fund budget is \$569,394, an increase of \$12,586 or 2.26%, which is attributable to increases in wages, staff overtime and benefits charged to this account.

Program Improvement Requests:

None requested.

Budget Summary - General Fund

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$10,715,019	\$11,075,948	\$ 11,970,080	\$ 12,132,153	\$ 162,073	1.35 %
PEG Special Revenue Fund	\$ 17,701	\$ 19,466	\$ 20,310	\$ 21,212	\$ 902	4.44 %
Total 2600 - Gen'l Fund	\$10,732,720	\$11,095,414	\$ 11,990,390	\$ 12,153,365	\$ 162,975	1.36 %

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 5,348,179	\$ 5,672,548	\$ 5,991,739	\$ 6,178,714	\$ 186,975	3.12 %
Expenses	\$ 5,384,540	\$ 5,422,866	\$ 5,998,651	\$ 5,974,651	\$ (24,000)	(0.40) %
Total 2600 - Gen'l Fund	\$10,732,720	\$11,095,414	\$ 11,990,390	\$ 12,153,365	\$ 162,975	1.36 %

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
2610 - Education Facilities	\$ 7,598,489	\$ 7,938,774	\$ 8,421,143	\$ 8,534,697	\$ 113,554	1.35 %
2620 - Municipal Facilities	\$ 2,025,864	\$ 1,987,953	\$ 2,373,574	\$ 2,388,449	\$ 14,875	0.63 %
2630 - Shared Facilities	\$ 1,108,367	\$ 1,168,687	\$ 1,195,673	\$ 1,230,219	\$ 34,546	2.89 %
Total 2600 - Gen'l Fund	\$10,732,720	\$11,095,414	\$ 11,990,390	\$ 12,153,365	\$ 162,975	1.36 %

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 5,056,784	\$ 5,378,169	\$ 5,665,757	\$ 5,845,430	\$ 179,673	3.17 %
Overtime	\$ 291,396	\$ 294,379	\$ 325,982	\$ 333,284	\$ 7,302	2.24 %
<i>Personal Services</i>	<i>\$ 5,348,179</i>	<i>\$ 5,672,548</i>	<i>\$ 5,991,739</i>	<i>\$ 6,178,714</i>	<i>\$ 186,975</i>	<i>3.12 %</i>
Contractual Services	\$ 1,325,295	\$ 1,509,275	\$ 1,551,440	\$ 1,527,440	\$ (24,000)	(1.55) %
Utilities	\$ 3,183,702	\$ 3,122,259	\$ 3,503,751	\$ 3,503,751	\$ —	— %
Supplies	\$ 730,467	\$ 654,429	\$ 800,860	\$ 800,860	\$ —	— %
Small Capital	\$ 145,076	\$ 136,904	\$ 142,600	\$ 142,600	\$ —	— %
<i>Expenses</i>	<i>\$ 5,384,540</i>	<i>\$ 5,422,866</i>	<i>\$ 5,998,651</i>	<i>\$ 5,974,651</i>	<i>\$ (24,000)</i>	<i>(0.40) %</i>
Total 2600 - Gen'l Fund	\$10,732,720	\$11,095,414	\$ 11,990,390	\$ 12,153,365	\$ 162,975	1.36 %

Budget Summary - Non-General Funds

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Building Rental Revolving Fund	\$ 568,656	\$ 484,523	\$ 560,000	\$ 570,000	\$ 10,000	1.79 %
Total 2600 - Non-Gen'l Fund	\$ 568,656	\$ 484,523	\$ 560,000	\$ 570,000	\$ 10,000	1.79 %

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

Appropriations Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Building Rental Revolving Fund	\$ 480,714	\$ 445,126	\$ 556,808	\$ 569,394	\$ 12,586	2.26 %
Personal Services	\$ 277,837	\$ 225,049	\$ 340,814	\$ 353,294	\$ 12,480	3.66 %
Expenses	\$ 188,550	\$ 205,350	\$ 198,000	\$ 198,000	\$ —	— %
Benefits	\$ 14,327	\$ 14,728	\$ 17,994	\$ 18,100	\$ 106	0.59 %
Total 2600 - Non-Gen'l Fund	\$ 480,714	\$ 445,126	\$ 556,808	\$ 569,394	\$ 12,586	2.26 %

Budget Summary - All Funds

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 5,626,016	\$ 5,897,596	\$ 6,332,553	\$ 6,532,008	\$ 199,455	3.15 %
Expenses	\$ 5,573,090	\$ 5,628,216	\$ 6,196,651	\$ 6,172,651	\$ (24,000)	(0.39) %
Benefits	\$ 14,327	\$ 14,728	\$ 17,994	\$ 18,100	\$ 106	0.59 %
Total 2600 (All Funds)	\$11,213,434	\$11,540,540	\$ 12,547,198	\$ 12,722,759	\$ 175,561	1.40 %

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Section V: Program 3000: Public Works

This section includes detailed information about the FY2022 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, 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

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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	0.6
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	2	3	3
Engineering Assistant**	4	4	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***	12	13	13	13
Grader/Shovel Operator	1	1	1	1
Information Coordinator	1	1	1	1
Seasonal Laborer	1.7	1.7	1.7	1.7
Equipment Foreman	1	1	1	1
Mechanic	4	4	4	4
Superintendent of Public Grounds	1	1	1	1
Laborer-Truck Driver	1	1	1	1
Leadmen	7	7	7	7
Senior Arborist	2	2	2	2
Tree Climber	2	2	2	2
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
Heavy Equipment Operators	2	2	2	2
Seasonal Laborer	0.7	0.7	0.7	0.7
Total FTE	64.3	65.3	65.3	65.3
Total FT/PT	61 FT/8 PT	62 FT/8 PT	62 FT/8 PT	62 FT/8 PT

Explanatory Notes

*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.

***New staff person added to Parks Division in FY2020 via a Program Improvement.

Budget Recommendations:

The FY2022 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 \$12,744,498. The recommended budget is a \$790,293, or 6.61% increase from the FY2021 budget.

The FY2022 recommended Public Works General Fund operating budget is \$11,528,143, which is a \$722,506, or 6.69% increase from the FY2021 General Fund budget.

The General Fund operating budget for Compensation is \$4,695,200, and reflects a \$362,735 or 8.37% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the newly settled contract with Public Works staff.

The General Fund operating budget for Expenses is \$6,832,943 and reflects a \$359,771 or 5.56% increase. Embedded in this increase are two Program Improvement Requests - the first will fund the expansion of the department's use of People GIS to more efficiently track hours worked by contractor and department staff during a snow storm; the second will provide \$10,000 to enhance maintenance on the Minuteman Bike Path. In addition, \$48,000 is transferred from the Department of Public Facilities to maintain bioretention basins on school properties. This amount completes the transfer that began in FY2021 for \$39,500.

The combined FY2022 recommended Revolving Fund budgets (see page V-7) are \$1,216,355 which is a \$67,787 or 5.90% increase from the FY2021 budget.

Please see the division sections on the following pages for a detailed explanation of the FY2022 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	
Bike Amenity Maintenance	\$ 10,000	\$ —	\$ 10,000	\$ 10,000	\$ —	\$ 10,000	\$ —
People GIS Snow Ops Software	\$ 19,500	\$ —	\$ 19,500	\$ 19,500	\$ —	\$ 19,500	\$ —

3000-3500 DPW Summary

Budget Summary:

Funding Sources (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 8,755,754	\$ 8,444,629	\$ 9,825,873	\$ 10,653,745	\$ 827,872	8.43 %
Enterprise Funds (Indirects)	\$ 596,915	\$ 595,723	\$ 624,564	\$ 519,198	\$ (105,366)	-16.87 %
Fees, Charges and Available Funds						
Parking Fund	\$ 72,900	\$ 72,900	\$ 72,900	\$ 72,900	\$ —	— %
Cemetery Trust	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ —	— %
Cemetery Prep Fees	\$ 198,293	\$ 182,405	\$ 180,000	\$ 180,000	\$ —	— %
Misc. Charges for Service	\$ 353	\$ 197	\$ 200	\$ 200	\$ —	— %
Licenses & Permits	\$ 75,992	\$ 129,145	\$ 52,100	\$ 52,100	\$ —	— %
Total 3100-3500 DPW Gen'l Fund	\$ 9,750,208	\$ 9,474,999	\$ 10,805,637	\$ 11,528,143	\$ 722,506	6.69 %

Appropriation Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 4,149,986	\$ 4,165,247	\$ 4,332,465	\$ 4,695,200	\$ 362,735	8.37 %
Expenses	\$ 5,600,222	\$ 5,309,752	\$ 6,473,172	\$ 6,832,943	\$ 359,771	5.56 %
Total 3100-3500 DPW Gen'l Fund	\$ 9,750,208	\$ 9,474,999	\$ 10,805,637	\$ 11,528,143	\$ 722,506	6.69 %

Program Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 3110 Administration	\$ 628,440	\$ 655,805	\$ 676,339	\$ 693,469	\$ 17,130	2.53 %
Total 3120 Town Engineering	\$ 854,111	\$ 915,241	\$ 998,334	\$ 1,015,497	\$ 17,163	1.72 %
Total 3130 Street Lighting	\$ 255,867	\$ 237,224	\$ 230,262	\$ 228,200	\$ (2,062)	-0.90 %
Total 3210 Highway	\$ 1,269,181	\$ 1,209,584	\$ 1,482,865	\$ 1,636,717	\$ 153,852	10.38 %
Total 3220 Equipment Maint.	\$ 709,252	\$ 731,408	\$ 789,013	\$ 840,179	\$ 51,166	6.48 %
Total 3230 Snow Removal	\$ 1,338,630	\$ 974,463	\$ 1,459,612	\$ 1,522,967	\$ 63,355	4.34 %
Total 3310 Parks	\$ 1,217,464	\$ 1,261,614	\$ 1,296,819	\$ 1,436,075	\$ 139,256	10.74 %
Total 3320 Forestry	\$ 427,495	\$ 409,077	\$ 502,460	\$ 552,426	\$ 49,966	9.94 %
Total 3330 Cemetery	\$ 304,376	\$ 299,721	\$ 361,344	\$ 393,778	\$ 32,434	8.98 %
Total 3410 Refuse Collection	\$ 947,750	\$ 924,683	\$ 952,423	\$ 980,996	\$ 28,573	3.00 %
Total 3420 Recycling	\$ 1,208,629	\$ 1,213,048	\$ 1,330,766	\$ 1,478,817	\$ 148,051	11.13 %
Total 3430 Refuse Disposal	\$ 589,013	\$ 643,130	\$ 725,400	\$ 749,022	\$ 23,622	3.26 %
Total 3100-3500 DPW Gen'l Fund	\$ 9,750,208	\$ 9,474,999	\$ 10,805,637	\$ 11,528,143	\$ 722,506	6.69 %

Object Code Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 3,633,107	\$ 3,811,785	\$ 3,934,798	\$ 4,254,374	\$ 319,576	8.12 %
Overtime	\$ 516,879	\$ 353,462	\$ 397,667	\$ 440,826	\$ 43,159	10.85 %
<i>Personal Services</i>	<i>\$ 4,149,986</i>	<i>\$ 4,165,247</i>	<i>\$ 4,332,465</i>	<i>\$ 4,695,200</i>	<i>\$ 362,735</i>	<i>8.37 %</i>
Contractual Services	\$ 4,111,695	\$ 4,047,039	\$ 4,760,014	\$ 5,077,985	\$ 317,971	6.68 %
Utilities	\$ 400,639	\$ 358,913	\$ 456,008	\$ 459,008	\$ 3,000	0.66 %
Supplies	\$ 1,019,395	\$ 832,584	\$ 1,160,650	\$ 1,199,450	\$ 38,800	3.34 %
Small Capital	\$ 68,493	\$ 71,216	\$ 96,500	\$ 96,500	\$ —	— %
<i>Expenses</i>	<i>\$ 5,600,222</i>	<i>\$ 5,309,752</i>	<i>\$ 6,473,172</i>	<i>\$ 6,832,943</i>	<i>\$ 359,771</i>	<i>5.56 %</i>
Total 3100-3500 DPW Gen'l Fund	\$ 9,750,208	\$ 9,474,999	\$ 10,805,637	\$ 11,528,143	\$ 722,506	6.69 %

Budget Summary - Revolving Funds*

Funding Sources (Non-General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Regional Cache - Hartwell Avenue	\$ 22,112	\$ 10,659	\$ 20,000	\$ 50,000	\$ 30,000	150.00 %
Lexington Tree Fund	\$ 67,650	\$ 86,450	\$ 45,000	\$ 70,000	\$ 25,000	55.56 %
Burial Containers	\$ 45,815	\$ 44,705	\$ 50,000	\$ 50,000	\$ —	— %
Compost Operations	\$ 564,474	\$ 673,846	\$ 793,449	\$ 790,000	\$ (3,449)	-0.43 %
Minuteman Household Hazardous Waste	\$ 121,401	\$ 153,800	\$ 250,000	\$ 260,000	\$ 10,000	4.00 %
Total 3100-3500 DPW Rev. Funds	\$ 821,451	\$ 969,461	\$ 1,158,449	\$ 1,220,000	\$ 61,551	5.31 %

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

Appropriation Summary (Non-General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Regional Cache - Hartwell Avenue (3110)						
Expenses	\$ 13,479	\$ 10,550	\$ 20,000	\$ 50,000	\$ 30,000	150.00 %
Tree Revolving Fund (3320)						
Expenses	\$ —	\$ 887	\$ 45,000	\$ 70,000	\$ 25,000	55.56 %
Burial Containers Revolving Fund (3330)						
Expenses	\$ 27,945	\$ 29,690	\$ 50,000	\$ 50,000	\$ —	— %
Compost Operations Rev. Fund (3420)						
	\$ 739,937	\$ 824,841	\$ 783,568	\$ 786,355	\$ 2,787	0.36 %
Compensation	\$ 308,268	\$ 325,354	\$ 328,300	\$ 357,167	\$ 28,867	8.79 %
Expenses	\$ 162,474	\$ 211,938	\$ 173,350	\$ 188,700	\$ 15,350	8.85 %
Benefits	\$ 52,336	\$ 70,246	\$ 76,361	\$ 77,487	\$ 1,126	1.47 %
Debt	\$ 216,859	\$ 217,303	\$ 205,557	\$ 163,001	\$ (42,556)	-20.70 %
Minuteman Household Hazardous Waste (3420)						
Expenses	\$ 139,932	\$ 133,954	\$ 250,000	\$ 260,000	\$ 10,000	4.00 %
Total 3100-3500 DPW Rev. Funds	\$ 921,293	\$ 999,920	\$ 1,148,568	\$ 1,216,355	\$ 67,787	5.90 %

Budget Summary - All Funds

Appropriation Summary (All Funds)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 4,458,254	\$ 4,490,600	\$ 4,660,765	\$ 5,052,367	\$ 391,602	8.40 %
Expenses	\$ 5,944,052	\$ 5,696,770	\$ 7,011,522	\$ 7,451,643	\$ 440,121	6.28 %
Benefits (Revolving Funds)	\$ 52,336	\$ 70,246	\$ 76,361	\$ 77,487	\$ 1,126	1.47 %
Debt Service (Revolving Fund)	\$ 216,859	\$ 217,303	\$ 205,557	\$ 163,001	\$ (42,556)	-20.70 %
Total 3100-3500 DPW All Funds	\$10,671,501	\$10,474,919	\$ 11,954,205	\$ 12,744,498	\$ 790,293	6.61 %

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.

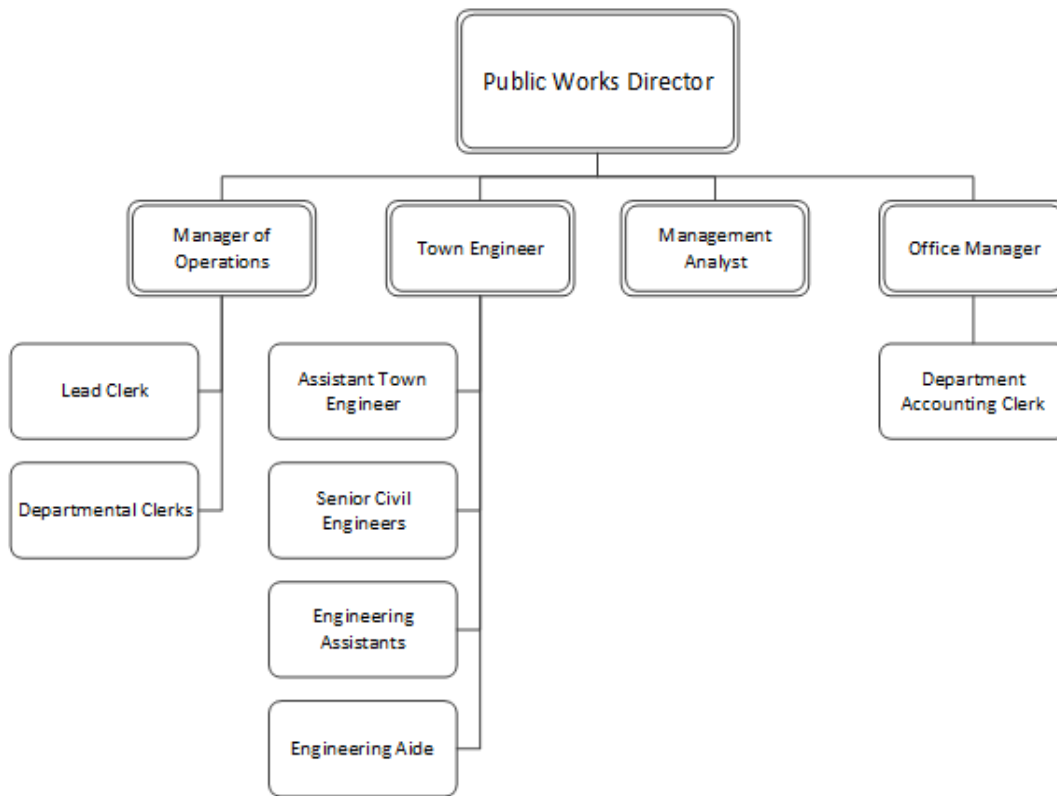
Budget Overview:

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. Continue to implement the NPDES program in a proactive, and cost efficient manner.
4. Continue improving the DPW asset management plan.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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	0.6
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	7.2
Subtotal FT/PT	7 FT/1 PT	7 FT/1 PT	7 FT/1 PT	7 FT/1 PT
Element 3120: Engineering				
Town Engineer	1	1	1	1
Assistant Town Engineer	1	1	1	1
Senior Civil Engineer**	2	2	3	3
Engineering Assistant**	4	4	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	7 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	14 FT/2 PT	14 FT/2 PT	14 FT/2 PT	14 FT/2 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 FY2022 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 \$1,987,166. The recommended budget is a \$62,231 or 3.23% increase from the FY2021 budget.

The recommended FY2022 Administration and Engineering General Fund operating budget is \$1,937,166 which is a \$32,231, or 1.69% increase from FY2021. Of this amount, \$1,532,966 is for Compensation and reflects a \$34,406 or 2.30% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments.

The recommended FY2022 Administration and Engineering General Fund operating budget for Expenses is \$404,200 and reflects a \$(2,175), or (0.54)% decrease. This decrease is due to some small realignments in the Engineering expense budget and some nominal savings in the Street Lighting budget. It has taken longer than expected to finalize the paperwork with the utility for the LED Street Light conversion. Further savings will be incorporated in the FY2023 budget once the reduced electricity costs for the lights are reflected in the monthly bills, and a better projection of operating costs can be made.

The FY2022 recommended Regional Cache Revolving Fund request is funded at \$50,000, which is an increase of \$30,000 from FY2021. The fund collects and spends fees paid by member towns for borrowing the equipment.

Program Improvement Requests:

None requested.

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,256,566	\$ 1,260,500	\$ 1,413,750	\$ 1,440,202	\$ 26,452	1.87%
Enterprise Funds (Indirects)	\$ 403,807	\$ 416,727	\$ 437,185	\$ 442,964	\$ 5,779	1.32%
Fees & Charges						
Charges for Service	\$ 353	\$ 197	\$ 200	\$ 200	\$ —	—%
Licenses & Permits	\$ 75,992	\$ 129,145	\$ 52,100	\$ 52,100	\$ —	—%
Parking Fund	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ —	—%
Total 3100 - General Fund	\$ 1,738,418	\$ 1,808,270	\$ 1,904,935	\$ 1,937,166	\$ 32,231	1.69%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,369,650	\$ 1,413,455	\$ 1,498,560	\$ 1,532,966	\$ 34,406	2.30%
Expenses	\$ 368,768	\$ 394,815	\$ 406,375	\$ 404,200	\$ (2,175)	-0.54%
Total 3100 - General Fund	\$ 1,738,418	\$ 1,808,270	\$ 1,904,935	\$ 1,937,166	\$ 32,231	1.69%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 3110 DPW Administration	\$ 628,440	\$ 655,805	\$ 676,339	\$ 693,469	\$ 17,130	2.53%
Total 3120 Engineering	\$ 854,111	\$ 915,241	\$ 998,334	\$ 1,015,497	\$ 17,163	1.72%
Total 3130 Street Lighting	\$ 255,867	\$ 237,224	\$ 230,262	\$ 228,200	\$ (2,062)	-0.90%
Total 3100 - General Fund	\$ 1,738,418	\$ 1,808,270	\$ 1,904,935	\$ 1,937,166	\$ 32,231	1.69%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,366,643	\$ 1,410,811	\$ 1,484,062	\$ 1,519,106	\$ 35,044	2.36%
Overtime	\$ 3,007	\$ 2,644	\$ 14,498	\$ 13,860	\$ (638)	-4.40%
<i>Personal Services</i>	<i>\$ 1,369,650</i>	<i>\$ 1,413,455</i>	<i>\$ 1,498,560</i>	<i>\$ 1,532,966</i>	<i>\$ 34,406</i>	<i>2.30%</i>
Contractual Services	\$ 229,599	\$ 246,370	\$ 230,575	\$ 228,400	\$ (2,175)	-0.94%
Utilities	\$ 111,479	\$ 130,019	\$ 112,400	\$ 112,400	\$ —	—%
Supplies	\$ 27,689	\$ 18,165	\$ 62,400	\$ 62,400	\$ —	—%
Small Capital	\$ —	\$ 261	\$ 1,000	\$ 1,000	\$ —	—%
<i>Expenses</i>	<i>\$ 368,768</i>	<i>\$ 394,815</i>	<i>\$ 406,375</i>	<i>\$ 404,200</i>	<i>\$ (2,175)</i>	<i>-0.54%</i>
Total 3100 - General Fund	\$ 1,738,418	\$ 1,808,270	\$ 1,904,935	\$ 1,937,166	\$ 32,231	1.69%

Budget Summary - Revolving Funds*

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Regional Cache - Hartwell Ave.	\$ 22,112	\$ 10,659	\$ 20,000	\$ 50,000	\$ 30,000	150.00%
Total 3100 - Revolving Funds	\$ 22,112	\$ 10,659	\$ 20,000	\$ 50,000	\$ 30,000	150.00%

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

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Regional Cache - Hartwell Ave.						
Expenses	\$ 13,479	\$ 10,550	\$ 20,000	\$ 50,000	\$ 30,000	150.00%
Total 3100 - Revolving Funds	\$ 13,479	\$ 10,550	\$ 20,000	\$ 50,000	\$ 30,000	150.00%

Budget Summary - All Funds

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,369,650	\$ 1,413,455	\$ 1,498,560	\$ 1,532,966	\$ 34,406	2.30%
Expenses	\$ 382,247	\$ 405,365	\$ 426,375	\$ 454,200	\$ 27,825	6.53%
Total 3100 - All Funds	\$ 1,751,897	\$ 1,818,820	\$ 1,924,935	\$ 1,987,166	\$ 62,231	3.23%

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.

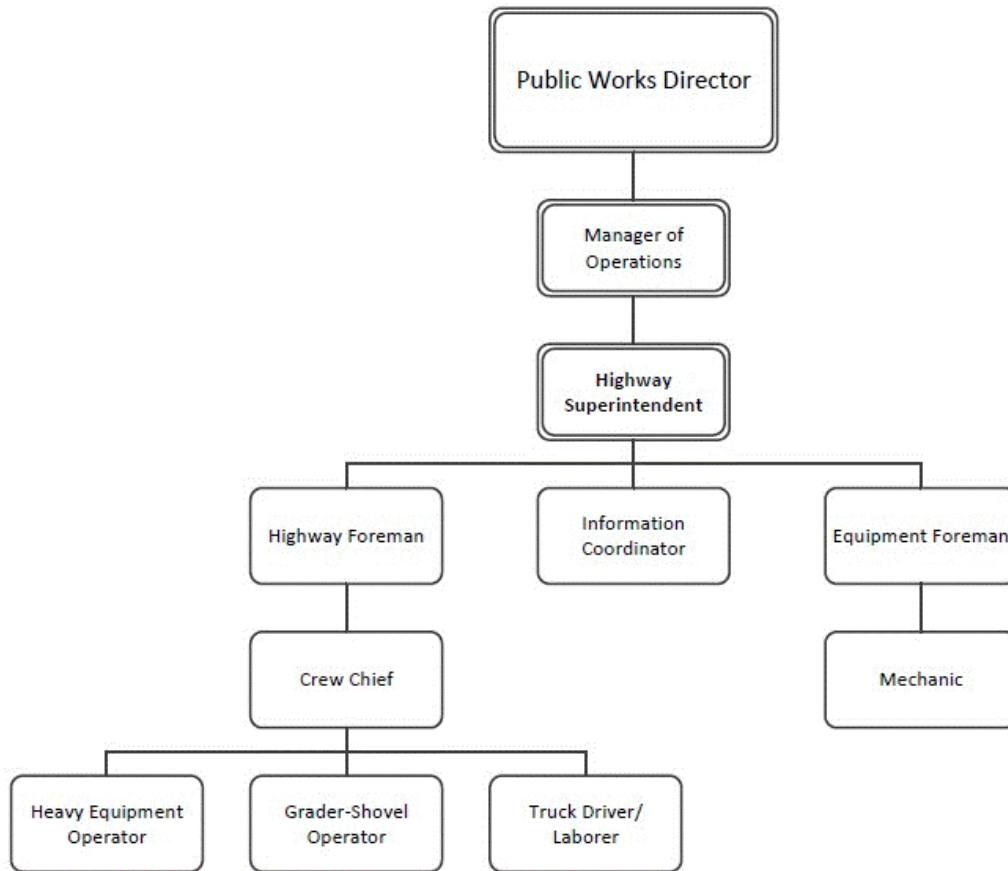
Budget Overview: The Highway Division includes Highway Maintenance, Equipment Maintenance and Snow Removal.

- 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 regulatory signs from 2013 Retroreflectivity study.
2. Continue the drainage flushing program and meeting the MS4 permitting requirements.
3. Take proactive measures to clean and repair catch basins townwide.
4. Continue with sidewalk repair and preservation.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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
Heavy Equipment Operator	5	5	5	5
Leadman	2	2	2	2
Grader/Shovel Operator	1	1	1	1
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 FY2022 recommended Highway budget inclusive of the Highway Maintenance, Equipment Maintenance and Snow Removal divisions is \$3,999,863. The recommended budget is a \$268,373, or 7.19%, increase from the FY2021 budget.

The budget for Compensation is \$1,495,155, and reflects an increase of \$156,173 or 11.66%, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the newly settled contract with Public Works staff.

The budget for Expenses is \$2,504,708 and reflects a \$112,200 or 4.69% increase which reflects the absorption of \$48,000 from the Department of Public Facilities for clearing bioretention basins on school properties, and the addition of a recommended Program Improvement Request for \$19,500 to fund expansion of the department's use of People GIS to more efficiently track hours worked by contractor and department staff during a snow storm. The guardrail replacement program started in FY2020, and the bicycle sharerow program initiated in FY2018, both continue in FY2022.

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	
People GIS Snow Ops Software	\$ 19,500	\$ —	\$ 19,500	\$ 19,500	\$ —	\$ 19,500	\$ —

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$3,141,490	\$2,756,367	\$ 3,567,050	\$ 3,852,429	\$ 285,379	8.00%
Enterprise Funds (Indirects)	\$ 104,373	\$ 87,888	\$ 93,240	\$ 76,234	\$ (17,006)	-18.24%
Fees & Charges						
Parking Fund	\$ 71,200	\$ 71,200	\$ 71,200	\$ 71,200	\$ —	—%
Total 3200 Highway	\$3,317,063	\$2,915,455	\$ 3,731,490	\$ 3,999,863	\$ 268,373	7.19%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$1,373,290	\$1,347,861	\$ 1,338,982	\$ 1,495,155	\$ 156,173	11.66%
Expenses	\$1,943,773	\$1,567,594	\$ 2,392,508	\$ 2,504,708	\$ 112,200	4.69%
Total 3200 Highway	\$3,317,063	\$2,915,455	\$ 3,731,490	\$ 3,999,863	\$ 268,373	7.19%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 3210 Highway Maintenance	\$1,269,181	\$1,209,584	\$ 1,482,865	\$ 1,636,717	\$ 153,852	10.38%
Total 3220 Equipment Maintenance	\$ 709,252	\$ 731,408	\$ 789,013	\$ 840,179	\$ 51,166	6.48%
Total 3230 Snow Removal	\$1,338,630	\$ 974,463	\$ 1,459,612	\$ 1,522,967	\$ 63,355	4.34%
Total 3200 Highway	\$3,317,063	\$2,915,455	\$ 3,731,490	\$ 3,999,863	\$ 268,373	7.19%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$1,027,470	\$1,099,287	\$ 1,066,849	\$ 1,191,917	\$ 125,068	11.72%
Overtime	\$ 345,820	\$ 248,574	\$ 272,133	\$ 303,238	\$ 31,105	11.43%
<i>Personal Services</i>	<i>\$1,373,290</i>	<i>\$1,347,861</i>	<i>\$ 1,338,982</i>	<i>\$ 1,495,155</i>	<i>\$ 156,173</i>	<i>11.66%</i>
Contractual Services	\$ 941,210	\$ 760,662	\$ 1,130,200	\$ 1,229,400	\$ 99,200	8.78%
Utilities	\$ 221,933	\$ 181,248	\$ 269,908	\$ 269,908	\$ —	—%
Supplies	\$ 729,076	\$ 563,623	\$ 907,400	\$ 920,400	\$ 13,000	1.43%
Small Capital	\$ 51,554	\$ 62,062	\$ 85,000	\$ 85,000	\$ —	—%
<i>Expenses</i>	<i>\$1,943,773</i>	<i>\$1,567,594</i>	<i>\$ 2,392,508</i>	<i>\$ 2,504,708</i>	<i>\$ 112,200</i>	<i>4.69%</i>
Total 3200 Highway	\$3,317,063	\$2,915,455	\$ 3,731,490	\$ 3,999,863	\$ 268,373	7.19%

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.

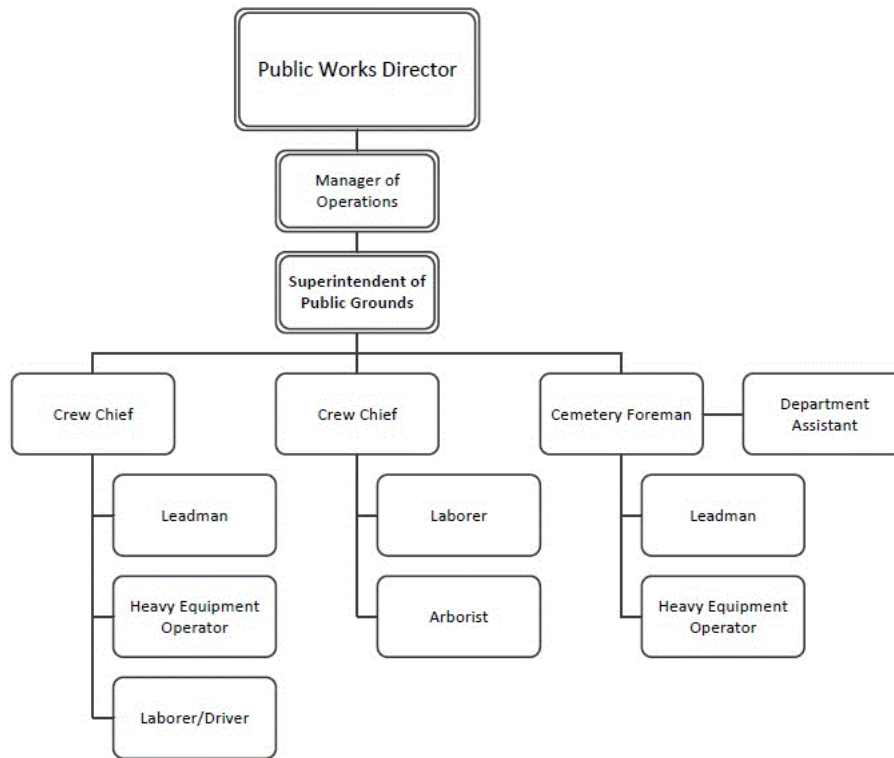
Budget Overview: The Public Grounds Division is comprised of the Parks, Forestry and Cemetery functions.

- 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; Sutherland Field and Rindge Park are targeted for FY2022.
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

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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*	6	7	7	7
Laborer-Truck Driver	1	1	1	1
Subtotal FTE	15	16	16	16
Subtotal FT/PT	15 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
Senior Arborist	2	2	2	2
Laborer-Tree Climber	2	2	2	2
Seasonal Laborer	0.6	0.6	0.6	0.6
Subtotal FTE	5.6	5.6	5.6	5.6
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	0.6
Subtotal FTE	4.6	4.6	4.6	4.6
Subtotal FT/PT	4 FT/2 PT	4 FT/2 PT	4 FT/2 PT	4 FT/2 PT
Total FTE	25.2	26.2	26.2	26.2
Total FT/PT	24 FT/4 PT	25 FT/4 PT	25 FT/4 PT	25 FT/4 PT

*New staff person added in FY2020 as a Program Improvement.

Budget Recommendations:

The FY2022 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 \$2,502,279, which is a \$246,656 or 10.94% increase over the FY2021 budget.

The combined Parks, Forestry and Cemetery FY2022 recommended General Fund operating budget is \$2,382,279 which is a \$221,656 or 10.26% increase from the FY2021 General Fund budget.

The combined Parks, Forestry and Cemetery General Fund operating budget for Compensation is \$1,667,079 and reflects a \$172,156 or 11.52% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the newly settled contract with Public Works staff.

The combined Parks, Forestry and Cemetery General Fund operating budget for Expenses is \$715,200 and reflects a \$49,500 or 7.44% increase, which includes a \$10,000 program improvement to enhance maintenance of the Minuteman Bike Path, and various other adjustments to reflect actual operating costs.

The combined FY2022 revolving fund budgets are funded at \$120,000, an increase of \$25,000. The increase is in the Lexington Tree Fund, which will fund a Tree Canopy survey requested by the Tree Committee.

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	
Bike Amenity Maintenance	\$ 10,000	\$ —	\$ 10,000	\$ 10,000	\$ —	\$ 10,000	\$ —

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,612,307	\$ 1,646,900	\$ 1,836,484	\$ 2,152,279	\$315,795	17.20%
Enterprise Funds (Indirects)	\$ 88,735	\$ 91,108	\$ 94,139	\$ —	\$(94,139)	-100.00%
Fees & Charges						
Cemetery Prep Fees	\$ 198,293	\$ 182,405	\$ 180,000	\$ 180,000	\$ —	—%
Directed Funding						
Cemetery Trust	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ —	—%
Total 3300 - General Fund	\$ 1,949,335	\$ 1,970,413	\$ 2,160,623	\$ 2,382,279	\$221,656	10.26%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,407,046	\$ 1,403,930	\$ 1,494,923	\$ 1,667,079	\$172,156	11.52%
Expenses	\$ 542,289	\$ 566,482	\$ 665,700	\$ 715,200	\$ 49,500	7.44%
Total 3300 - General Fund	\$ 1,949,335	\$ 1,970,413	\$ 2,160,623	\$ 2,382,279	\$221,656	10.26%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 3310 Parks Division	\$ 1,217,464	\$ 1,261,614	\$ 1,296,819	\$ 1,436,075	\$139,256	10.74%
Total 3320 Forestry	\$ 427,495	\$ 409,077	\$ 502,460	\$ 552,426	\$ 49,966	9.94%
Total 3330 Cemetery	\$ 304,376	\$ 299,721	\$ 361,344	\$ 393,778	\$ 32,434	8.98%
Total 3300 - General Fund	\$ 1,949,335	\$ 1,970,413	\$ 2,160,623	\$ 2,382,279	\$221,656	10.26%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,238,995	\$ 1,301,688	\$ 1,383,887	\$ 1,543,351	\$159,464	11.52%
Overtime	\$ 168,051	\$ 102,243	\$ 111,036	\$ 123,728	\$ 12,692	11.43%
<i>Personal Services</i>	<i>\$ 1,407,046</i>	<i>\$ 1,403,930</i>	<i>\$ 1,494,923</i>	<i>\$ 1,667,079</i>	<i>\$172,156</i>	<i>11.52%</i>
Contractual Services	\$ 243,841	\$ 284,660	\$ 423,900	\$ 447,600	\$ 23,700	5.59%
Utilities	\$ 67,226	\$ 47,646	\$ 73,700	\$ 76,700	\$ 3,000	4.07%
Supplies	\$ 214,283	\$ 225,283	\$ 157,600	\$ 180,400	\$ 22,800	14.47%
Small Capital	\$ 16,939	\$ 8,893	\$ 10,500	\$ 10,500	\$ —	—%
<i>Expenses</i>	<i>\$ 542,289</i>	<i>\$ 566,482</i>	<i>\$ 665,700</i>	<i>\$ 715,200</i>	<i>\$ 49,500</i>	<i>7.44%</i>
Total 3300 - General Fund	\$ 1,949,335	\$ 1,970,413	\$ 2,160,623	\$ 2,382,279	\$221,656	10.26%

Budget Summary - Revolving Funds*

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Lexington Tree Fund	\$ 67,650	\$ 86,450	\$ 45,000	\$ 70,000	\$ 25,000	55.56%
Burial Containers	\$ 45,815	\$ 44,705	\$ 50,000	\$ 50,000	\$ —	—%
Total 3300 - Revolving Funds	\$ 113,465	\$ 131,155	\$ 95,000	\$ 120,000	\$ 25,000	26.32%

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

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Lexington Tree Revolving Fund						
Expenses	\$ —	\$ 887	\$ 45,000	\$ 70,000	\$ 25,000	55.56%
Burial Container Revolving Fund						
Expenses	\$ 27,945	\$ 29,690	\$ 50,000	\$ 50,000	\$ —	—%
Total 3300 - Revolving Funds	\$ 27,945	\$ 30,577	\$ 95,000	\$ 120,000	\$ 25,000	26.32%

Budget Summary - All Funds

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,407,046	\$ 1,403,930	\$ 1,494,923	\$ 1,667,079	\$172,156	11.52%
Expenses	\$ 570,234	\$ 597,059	\$ 760,700	\$ 835,200	\$ 74,500	9.79%
Total 3300 - All Funds	\$ 1,977,280	\$ 2,000,989	\$ 2,255,623	\$ 2,502,279	\$246,656	10.94%

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.

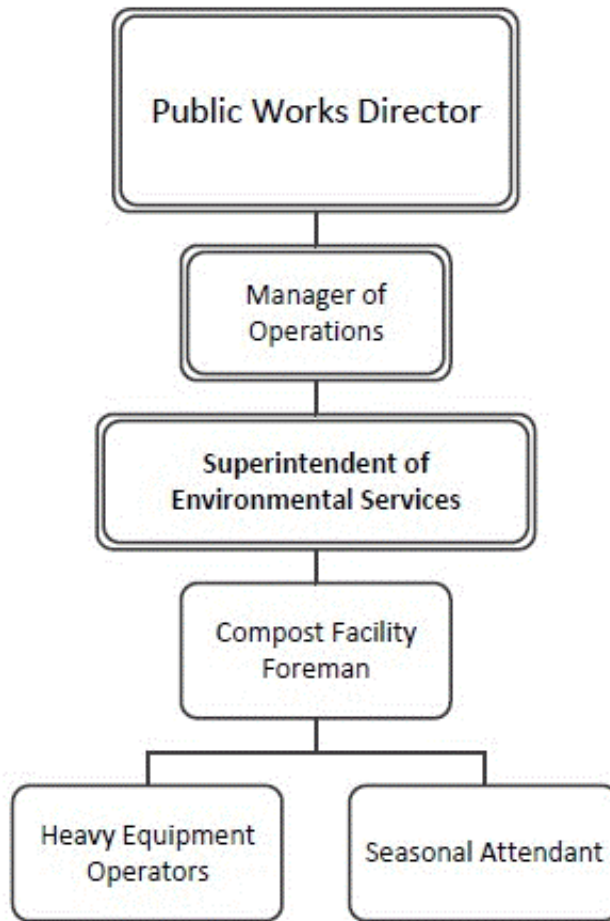
Budget Overview: The Environmental Services Division includes Refuse Collection and Disposal, Recycling, Yard Waste and Appliance/Electronic Waste.

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. 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 implement a manual refuse and manual single stream collection service and 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 nearly 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. Since May 2019 residents have been able to recycle old clothes, shoes and related textiles using "pink" bags collected at the curb by Simple Recycling, Inc. Textile and food waste collection programs divert approximately 500 tons annually from disposal.
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

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 Request
Element 3420: Recycling* (Compost Facility)				
Superintendent of Environmental Services	1	1	1	1
Compost Facility Foreman	1	1	1	1
Heavy Equipment Operator	2	2	2	2
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.

Budget Recommendations:

The recommended FY2022 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 \$4,255,190, which is a net \$213,033 or 5.27% increase from the FY2021 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 \$3,208,835 and reflects a \$200,246 or 6.66% increase. The Refuse Collection expense budget is recommended at \$980,996, a increase of \$28,573 or 3.00%, and the Recycling expense budget is recommended at \$1,478,817 an increase of \$148,051 or 11.13%, both of which reflect the Town's contracts for refuse and recycling collections. The Recycling increase also reflects the current market for disposal of recycled materials, which has recently become unsettled, and is projected to increase by \$110,000 or 38.19%. The Refuse Disposal expense budget is recommended at \$749,022, an increase of \$23,622 or 3.26%, attributable to a 3.26% or \$2.54 increase in the Town's tipping fee per ton. Total refuse disposal tonnage for FY2022 is projected to be 9,300 tons.

The FY2022 revolving fund budgets are recommended at \$1,046,355, a \$12,787 or 1.24% net increase. The Minuteman Household Hazardous Waste Program Revolving Fund is funded at \$260,000, an increase of \$10,000 or 4.00%, which reflects actual expenses. The Compost Operations Revolving Fund is recommended at \$786,355, a \$2,787 or 0.36% increase, which reflects actual expenses.

Program Improvement Requests:

None requested.

3400 Environmental Services

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$2,745,392	\$2,780,861	\$ 3,008,589	\$ 3,208,835	\$ 200,246	6.66 %
Total 3400 - General Fund	\$2,745,392	\$2,780,861	\$ 3,008,589	\$ 3,208,835	\$ 200,246	6.66 %

Appropriation Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Expenses	\$2,745,392	\$2,780,861	\$ 3,008,589	\$ 3,208,835	\$ 200,246	6.66 %
Total 3400 - General Fund	\$2,745,392	\$2,780,861	\$ 3,008,589	\$ 3,208,835	\$ 200,246	6.66 %

Program Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 3410 Refuse Collection	\$ 947,750	\$ 924,683	\$ 952,423	\$ 980,996	\$ 28,573	3.00 %
Total 3420 Recycling	\$1,208,629	\$1,213,048	\$ 1,330,766	\$ 1,478,817	\$ 148,051	11.13 %
Total 3430 Refuse Disposal	\$ 589,013	\$ 643,130	\$ 725,400	\$ 749,022	\$ 23,622	3.26 %
Total 3400 - General Fund	\$2,745,392	\$2,780,861	\$ 3,008,589	\$ 3,208,835	\$ 200,246	6.66 %

Object Code Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Personal Services</i>	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Contractual Services	\$2,697,045	\$2,755,348	\$ 2,975,339	\$ 3,172,585	\$ 197,246	6.63 %
Utilities	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Supplies	\$ 48,347	\$ 25,514	\$ 33,250	\$ 36,250	\$ 3,000	9.02 %
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Expenses</i>	<i>\$2,745,392</i>	<i>\$2,780,861</i>	<i>\$ 3,008,589</i>	<i>\$ 3,208,835</i>	<i>\$ 200,246</i>	<i>6.66 %</i>
Total 3400 - General Fund	\$2,745,392	\$2,780,861	\$ 3,008,589	\$ 3,208,835	\$ 200,246	6.66 %

Budget Summary - Revolving Funds*

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Compost Operations Rev. Fund	\$ 564,474	\$ 673,846	\$ 793,449	\$ 790,000	\$ (3,449)	-0.43 %
Minuteman Haz. Waste Rev. Fund	\$ 121,401	\$ 153,800	\$ 250,000	\$ 260,000	\$ 10,000	4.00 %
Total 3400 - Revolving Funds	\$ 685,874	\$ 827,647	\$ 1,043,449	\$ 1,050,000	\$ 6,551	0.63 %

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

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compost Operations Rev. Fund	\$ 739,937	\$ 824,841	\$ 783,568	\$ 786,355	\$ 2,787	0.36%
Compensation	\$ 308,268	\$ 325,354	\$ 328,300	\$ 357,167	\$ 28,867	8.79 %
Expenses	\$ 162,474	\$ 211,938	\$ 173,350	\$ 188,700	\$ 15,350	8.85 %
Benefits	\$ 52,336	\$ 70,246	\$ 76,361	\$ 77,487	\$ 1,126	1.47 %
Debt	\$ 216,859	\$ 217,303	\$ 205,557	\$ 163,001	\$ (42,556)	-20.70 %
Minuteman Haz. Waste Rev. Fund	\$ 139,932	\$ 133,954	\$ 250,000	\$ 260,000	\$ 10,000	4.00%
Expenses	\$ 139,932	\$ 133,954	\$ 250,000	\$ 260,000	\$ 10,000	4.00 %
Total 3400 - Revolving Funds	\$ 879,869	\$ 958,793	\$ 1,033,568	\$ 1,046,355	\$ 12,787	1.24 %

Budget Summary - All Funds

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 308,268	\$ 325,354	\$ 328,300	\$ 357,167	\$ 28,867	8.79 %
Expenses	\$3,047,798	\$3,126,753	\$ 3,431,939	\$ 3,657,535	\$ 225,596	6.57 %
Benefits (Revolving Fund)	\$ 52,336	\$ 70,246	\$ 76,361	\$ 77,487	\$ 1,126	1.47 %
Debt Service (Revolving Fund)	\$ 216,859	\$ 217,303	\$ 205,557	\$ 163,001	\$ (42,556)	-20.70 %
Total 3400 - All Funds	\$3,625,261	\$3,739,655	\$ 4,042,157	\$ 4,255,190	\$ 213,033	5.27 %

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.

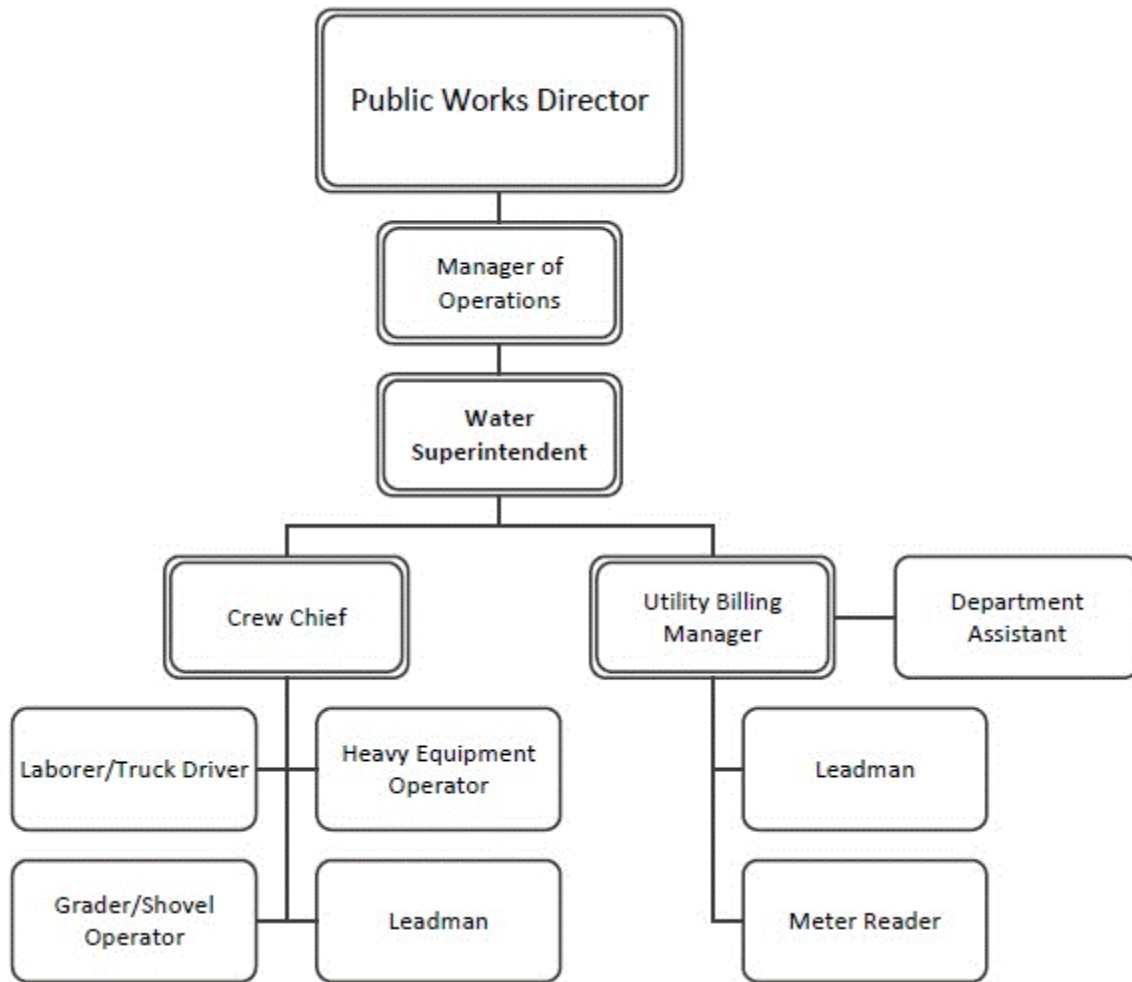
Budget Overview: The Water Division budget is comprised of Water Operations, Massachusetts Water Resources Authority (MWRA) purchases and indirect support from the General Fund.

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 FY2022, 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. Begin 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

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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-Truck Driver	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 FY2022 recommended Water operating budget is \$12,700,805, inclusive of indirect costs. The recommended budget reflects a \$978,476 or 8.35% increase from the FY2021 budget.

The budget for Compensation is \$903,535, and reflects a \$99,301 or 12.35% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the newly settled contract with Public Works staff.

The budget for Expenses is \$514,300 which is an increase of \$11,375, or 2.26% from FY2021, and is primarily due to an increase in professional development to support training and licenses for several new staff members.

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 second 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 FY2022 recommendation for cash capital is \$400,000.

Debt service is recommended to decrease by \$(98,976) or (7.74)%.

The preliminary MWRA Assessment is \$8,782,170, which is a \$775,771 or 9.69% increase from FY2021. The final assessment will be issued in June 2021.

In FY2022, 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 \$918,245, a decrease of \$(11,756) or (1.26)%.

Program Improvement Requests:

None requested.

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Enterprise Funds						
Retained Earnings	\$ 61,000	\$ —	\$ —	\$ —	\$ —	—%
User Charges	\$ 10,621,644	\$ 10,594,289	\$ 11,414,329	\$ 12,392,805	\$ 978,476	8.57%
Meter Charges	\$ 40,031	\$ 44,896	\$ 35,000	\$ 35,000	\$ —	—%
Investment Income	\$ 25,863	\$ 17,931	\$ 8,000	\$ 8,000	\$ —	—%
Fees & Charges	\$ 369,271	\$ 399,794	\$ 265,000	\$ 265,000	\$ —	—%
Total 3600 Water Enterprise	\$ 11,117,810	\$ 11,056,910	\$ 11,722,329	\$ 12,700,805	\$ 978,476	8.35%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 684,682	\$ 660,929	\$ 804,234	\$ 903,535	\$ 99,301	12.35%
Expenses	\$ 395,107	\$ 420,436	\$ 502,925	\$ 514,300	\$ 11,375	2.26%
Cash Capital	\$ —	\$ —	\$ 200,000	\$ 400,000	\$ 200,000	100.00%
Debt	\$ 1,436,995	\$ 1,192,000	\$ 1,278,770	\$ 1,179,794	\$ (98,976)	-7.74%
MWRA	\$ 7,128,006	\$ 7,413,364	\$ 8,006,399	\$ 8,782,170	\$ 775,771	9.69%
OPEB	\$ 9,089	\$ 2,761	\$ —	\$ 2,761	\$ 2,761	—%
Indirects	\$ 869,833	\$ 894,573	\$ 930,001	\$ 918,245	\$ (11,756)	-1.26%
Total 3600 Water Enterprise	\$ 10,523,712	\$ 10,584,063	\$ 11,722,329	\$ 12,700,805	\$ 978,476	8.35%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
3610 Water Operations	\$ 2,516,784	\$ 2,273,365	\$ 2,585,929	\$ 2,597,629	\$ 11,700	0.45%
3620 MWRA	\$ 7,128,006	\$ 7,413,364	\$ 8,006,399	\$ 8,782,170	\$ 775,771	9.69%
Cash Capital	\$ —	\$ —	\$ 200,000	\$ 400,000	\$ 200,000	100.00%
OPEB	\$ 9,089	\$ 2,761	\$ —	\$ 2,761	\$ 2,761	—%
Indirects	\$ 869,833	\$ 894,573	\$ 930,001	\$ 918,245	\$ (11,756)	-1.26%
Total 3600 Water Enterprise	\$ 10,523,712	\$ 10,584,063	\$ 11,722,329	\$ 12,700,805	\$ 978,476	8.35%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 555,297	\$ 543,405	\$ 639,292	\$ 716,065	\$ 76,773	12.01%
Overtime	\$ 129,385	\$ 117,523	\$ 164,942	\$ 187,470	\$ 22,528	13.66%
<i>Personal Services</i>	<i>\$ 684,682</i>	<i>\$ 660,929</i>	<i>\$ 804,234</i>	<i>\$ 903,535</i>	<i>\$ 99,301</i>	<i>12.35%</i>
Contractual Services	\$ 164,645	\$ 183,763	\$ 260,625	\$ 269,800	\$ 9,175	3.52%
Utilities	\$ 8,221	\$ 18,143	\$ 14,800	\$ 17,000	\$ 2,200	14.86%
Supplies	\$ 207,114	\$ 192,234	\$ 202,500	\$ 202,500	\$ —	—%
Small Capital	\$ 15,127	\$ 26,296	\$ 25,000	\$ 25,000	\$ —	—%
<i>Expenses</i>	<i>\$ 395,107</i>	<i>\$ 420,436</i>	<i>\$ 502,925</i>	<i>\$ 514,300</i>	<i>\$ 11,375</i>	<i>2.26%</i>
Cash Capital	\$ —	\$ —	\$ 200,000	\$ 400,000	\$ 200,000	100.00%
Debt	\$ 1,436,995	\$ 1,192,000	\$ 1,278,770	\$ 1,179,794	\$ (98,976)	-7.74%
MWRA	\$ 7,128,006	\$ 7,413,364	\$ 8,006,399	\$ 8,782,170	\$ 775,771	9.69%
OPEB	\$ 9,089	\$ 2,761	\$ —	\$ 2,761	\$ 2,761	—%
Indirects	\$ 869,833	\$ 894,573	\$ 930,001	\$ 918,245	\$ (11,756)	-1.26%
Total 3600 Water Enterprise	\$ 10,523,712	\$ 10,584,063	\$ 11,722,329	\$ 12,700,805	\$ 978,476	8.35%

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.

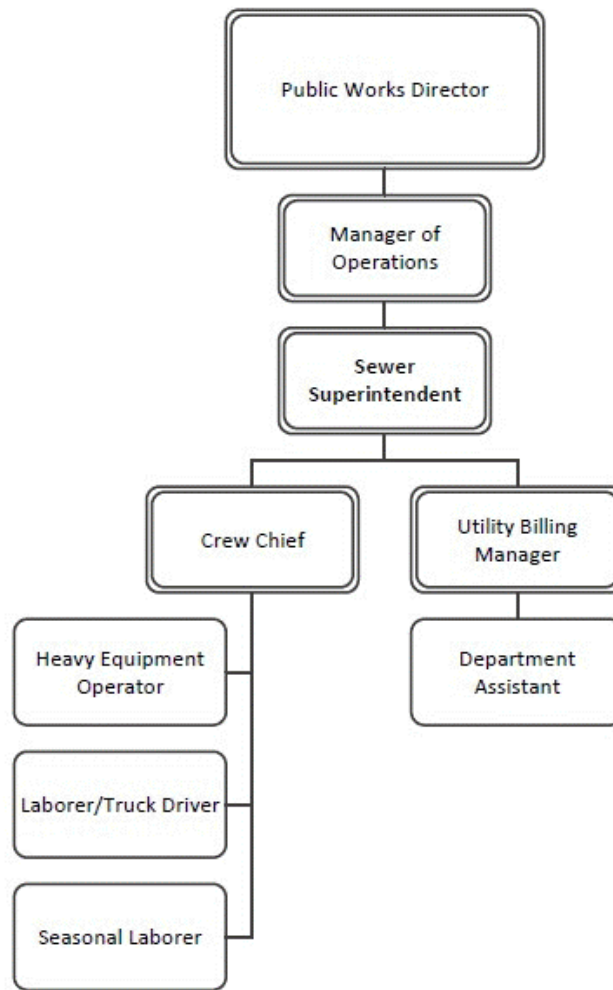
The Sewer Division maintains the wastewater system that serves 99 percent of Town residences and businesses through 34 miles of trunk lines, 119 miles of street lines and 10,326 service connections. There are also ten sewage-pumping stations operated by the Sewer Division. The Town has a three-block 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 FY2022, 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 in implementing the Automatic Meter Reading System (AMR).
3. Continue to educate the public on the costs and problems created by Inflow & Infiltration.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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 FY2022 recommended Sewer operating budget, inclusive of indirect costs, is \$11,270,354, a \$507,035 or 4.71% increase over the FY2021 budget.

The budget for Compensation is \$401,775 and reflects a \$35,207 or 9.60% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments in the newly settled contract with Public Works staff.

The budget for Expenses is \$454,650, an increase of \$10,500 or 2.36%, which is due to cost increases for services to repair wastewater services to residents, video inspection of wastewater services when needed, plus cost increases to resurface roadways over repaired sewer services.

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 second 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 FY2022 recommendation for cash capital is \$200,000.

Debt service is recommended to increase by \$75,934 or 5.47%.

The preliminary MWRA Assessment is \$8,232,301, which is a \$309,942 or 3.91% increase from FY2021. The final assessment will be issued in June 2021.

In FY2022, 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 \$514,111, a decrease of \$(27,552) or (5.09)%.

Program Improvement Requests:

None requested.

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Enterprise Funds						
Retained Earnings	\$ —	\$ —	\$ —	\$ —	\$ —	—%
User Charges	\$ 9,459,236	\$ 9,885,948	\$ 10,401,319	\$ 10,908,354	\$ 507,035	4.87%
Connection Fees	\$ 3,842	\$ 695	\$ —	\$ —	\$ —	—%
Investment Income	\$ 25,298	\$ 14,259	\$ 8,000	\$ 8,000	\$ —	—%
Fees & Charges	\$ 486,096	\$ 514,538	\$ 354,000	\$ 354,000	\$ —	—%
Total 3700 Sewer Enterprise	\$ 9,974,472	\$ 10,415,439	\$ 10,763,319	\$ 11,270,354	\$ 507,035	4.71%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 208,773	\$ 226,162	\$ 366,568	\$ 401,775	\$ 35,207	9.60%
Expenses	\$ 342,920	\$ 284,781	\$ 444,150	\$ 454,650	\$ 10,500	2.36%
Cash Capital	\$ —	\$ —	\$ 100,000	\$ 200,000	\$ 100,000	100.00%
Debt	\$ 1,134,396	\$ 1,200,863	\$ 1,388,579	\$ 1,464,513	\$ 75,934	5.47%
MWRA	\$ 7,572,486	\$ 7,837,139	\$ 7,922,359	\$ 8,232,301	\$ 309,942	3.91%
OPEB	\$ 4,085	\$ 3,004	\$ —	\$ 3,004	\$ 3,004	—%
Indirects	\$ 515,280	\$ 532,094	\$ 541,663	\$ 514,111	\$ (27,552)	-5.09%
Total 3700 Sewer Enterprise	\$ 9,777,940	\$ 10,084,043	\$ 10,763,319	\$ 11,270,354	\$ 507,035	4.71%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
3710 Sewer Enterprise	\$ 1,686,089	\$ 1,711,806	\$ 2,199,297	\$ 2,320,938	\$ 121,641	5.53%
3720 - MWRA	\$ 7,572,486	\$ 7,837,139	\$ 7,922,359	\$ 8,232,301	\$ 309,942	3.91%
Cash Capital	\$ —	\$ —	\$ 100,000	\$ 200,000	\$ 100,000	100.00%
OPEB	\$ 4,085	\$ 3,004	\$ —	\$ 3,004	\$ 3,004	—%
Indirects	\$ 515,280	\$ 532,094	\$ 541,663	\$ 514,111	\$ (27,552)	-5.09%
Total 3700 Sewer Enterprise	\$ 9,777,940	\$ 10,084,043	\$ 10,763,319	\$ 11,270,354	\$ 507,035	4.71%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 185,666	\$ 197,259	\$ 290,542	\$ 315,364	\$ 24,822	8.54%
Overtime	\$ 23,107	\$ 28,903	\$ 76,026	\$ 86,411	\$ 10,385	13.66%
<i>Personal Services</i>	<i>\$ 208,773</i>	<i>\$ 226,162</i>	<i>\$ 366,568</i>	<i>\$ 401,775</i>	<i>\$ 35,207</i>	<i>9.60%</i>
Contractual Services	\$ 126,961	\$ 134,846	\$ 196,900	\$ 207,400	\$ 10,500	5.33%
Utilities	\$ 140,097	\$ 108,424	\$ 130,000	\$ 130,000	\$ —	—%
Supplies	\$ 60,736	\$ 41,511	\$ 103,250	\$ 103,250	\$ —	—%
Small Capital	\$ 15,126	\$ —	\$ 14,000	\$ 14,000	\$ —	—%
<i>Expenses</i>	<i>\$ 342,920</i>	<i>\$ 284,781</i>	<i>\$ 444,150</i>	<i>\$ 454,650</i>	<i>\$ 10,500</i>	<i>2.36%</i>
Cash Capital	\$ —	\$ —	\$ 100,000	\$ 200,000	\$ 100,000	100.00%
Debt	\$ 1,134,396	\$ 1,200,863	\$ 1,388,579	\$ 1,464,513	\$ 75,934	5.47%
MWRA	\$ 7,572,486	\$ 7,837,139	\$ 7,922,359	\$ 8,232,301	\$ 309,942	3.91%
OPEB	\$ 4,085	\$ 3,004	\$ —	\$ 3,004	\$ 3,004	—%
Indirects	\$ 515,280	\$ 532,094	\$ 541,663	\$ 514,111	\$ (27,552)	-5.09%
Total 3700 Sewer Enterprise	\$ 9,777,940	\$ 10,084,043	\$ 10,763,319	\$ 11,270,354	\$ 507,035	4.71%

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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 FY2020, the Police Department responded to 13,749 calls for service with 614 crimes investigated.

The Administration division is comprised of 11 full-time and 4 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), one account clerk and eight parking lot attendants. Meter and parking enforcement in Lexington Center is done by the PEO while the parking lot attendants manage the public/permit parking lot on Meriam Street. 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).

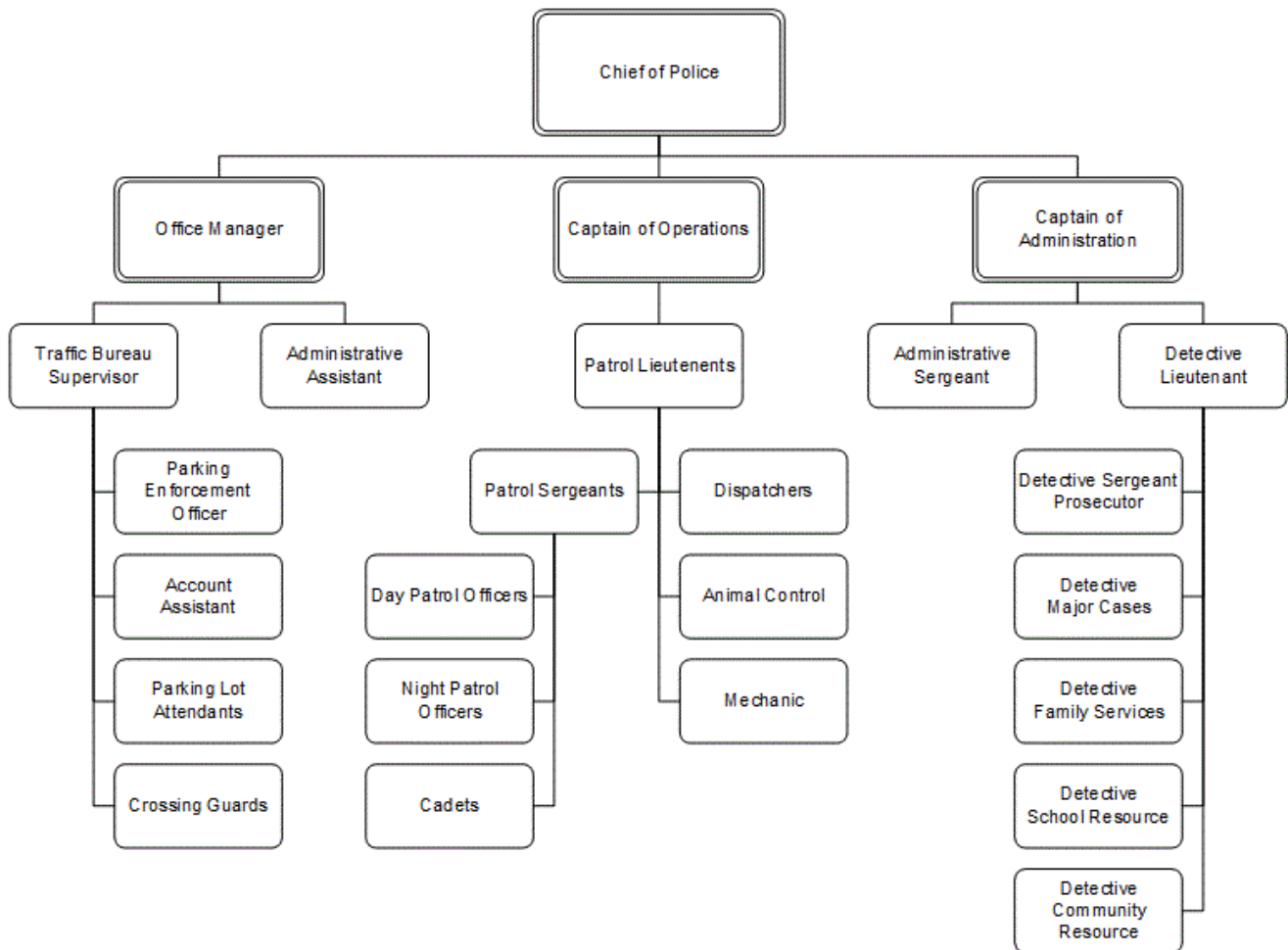
The Dispatch division is comprised of ten civilian dispatchers responsible for directing the proper resources to nearly 14,000 service calls that require a police, fire or medical unit response.

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.

Departmental Initiatives:

1. Continue to identify and schedule training directly related to racial and social justice; work with community groups to ensure trust with the Police Department is at an elevated level.
2. Continue to support and work with the town regarding the construction of the a new police station at our current location.
3. With the anticipated retirement of the Chief in the summer of 2022, and two members of the command staff in 2020-2021, establish a succession plan which includes a more formalized and consistent executive development program that will continue to develop future leaders from within the Department.



Authorized/Appropriated Staffing:

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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
Lead Dispatcher	—	—	1	1
Dispatcher	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	2.81	2.81
Crossing Guards - 17 part-time	3.69	3.69	3.69	3.69
Total FTE	74.56	74.56	75.56	75.56
	50 Officers	50 Officers	50 Officers	50 Officers
Total FT/PT	65FT/32PT	65FT/32PT	66FT/32PT	66FT/32PT

Overall staff changes from FY2019 to FY2022:

FY2021 - Lead Dispatcher role reflects program improvement, funded via Enhanced 911 state grant.

Budget Recommendations:

The FY2022 recommended Police Department budget is \$8,235,057 which is a \$196,499 or 2.44% increase from the FY2021 budget.

The budget for Compensation is \$7,209,908 and reflects an increase of \$130,439 or 1.84%, which incorporates contractually obligated step and cost of living increases. FY2022 Compensation does not include any estimate of prospective cost of living increases for contracts expiring on or before June 30, 2021. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The budget for Expenses is \$1,025,149 and reflects an increase of \$66,060 or 6.89%, which reflects a program improvement (\$9,950) to enhance training for senior officers in light of expected retirements; increased costs (\$14,750) for replacement of the department's portable radios, mobile radios, laptops and tablets; the addition of one hybrid cruiser to the fleet (\$15,000 incremental increase); and increased uniform costs due to internal promotions as command staff retire over the coming year (\$15,900).

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	
Executive Development Program	\$ 9,950	\$ —	\$ 9,950	\$ 9,950	\$ —	\$ 9,950	\$ —
Patrol Officer - Traffic Enforcement	\$ 88,854	\$ 17,238	\$ 106,092	\$ —	\$ —	\$ —	\$ 106,092

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 7,217,531	\$ 7,073,419	\$ 7,515,658	\$ 7,704,157	\$ 188,499	2.51%
Fees & Charges						
Fees	\$ 105,447	\$ 113,811	\$ 107,000	\$ 115,000	\$ 8,000	7.48%
Fines & Forfeitures	\$ 189,845	\$ 152,654	\$ 101,000	\$ 101,000	\$ —	—%
Licenses & Permits	\$ 3,075	\$ 3,188	\$ 2,800	\$ 2,800	\$ —	—%
Parking Fund*	\$ 340,100	\$ 312,100	\$ 312,100	\$ 312,100	\$ —	—%
Total 4100 Law Enforcement	\$ 7,855,998	\$ 7,655,171	\$ 8,038,558	\$ 8,235,057	\$ 196,499	2.44%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 6,933,132	\$ 6,753,696	\$ 7,079,469	\$ 7,209,908	\$ 130,439	1.84%
Expenses	\$ 922,866	\$ 901,475	\$ 959,089	\$ 1,025,149	\$ 66,060	6.89%
Total 4100 Law Enforcement	\$ 7,855,998	\$ 7,655,171	\$ 8,038,558	\$ 8,235,057	\$ 196,499	2.44%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 4110 Police Administration	\$ 1,817,207	\$ 1,799,212	\$ 1,760,509	\$ 1,804,589	\$ 44,080	2.50%
Total 4120 Patrol & Enforcement	\$ 3,831,915	\$ 3,604,027	\$ 3,874,573	\$ 4,001,304	\$ 126,731	3.27%
Total 4130 Traffic Bureau	\$ 480,068	\$ 463,758	\$ 473,896	\$ 486,985	\$ 13,089	2.76%
Total 4140 Investigations	\$ 836,157	\$ 870,040	\$ 949,467	\$ 958,461	\$ 8,994	0.95%
Total 4150 Dispatch	\$ 662,809	\$ 699,122	\$ 740,772	\$ 738,222	\$ (2,550)	-0.34%
Total 4160 Animal Control	\$ 62,663	\$ 65,812	\$ 67,008	\$ 69,888	\$ 2,880	4.30%
Total 4170 Crossing Guards	\$ 165,178	\$ 153,200	\$ 172,333	\$ 175,608	\$ 3,275	1.90%
Total 4100 Law Enforcement	\$ 7,855,998	\$ 7,655,171	\$ 8,038,558	\$ 8,235,057	\$ 196,499	2.44%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 5,385,922	\$ 5,594,835	\$ 6,149,573	\$ 6,263,368	\$ 113,795	1.85%
Prior Year Retro Payments	\$ 198,167	\$ —	\$ —	\$ —	\$ —	—%
Overtime	\$ 1,349,042	\$ 1,158,861	\$ 925,596	\$ 942,040	\$ 16,444	1.78%
<i>Personal Services</i>	<i>\$ 6,933,132</i>	<i>\$ 6,753,696</i>	<i>\$ 7,075,169</i>	<i>\$ 7,205,408</i>	<i>\$ 130,239</i>	<i>1.84%</i>
Contractual Services	\$ 360,386	\$ 342,735	\$ 395,900	\$ 410,742	\$ 14,842	3.75%
Utilities	\$ 121,887	\$ 108,729	\$ 125,919	\$ 128,487	\$ 2,568	2.04%
Supplies	\$ 212,304	\$ 223,212	\$ 198,381	\$ 217,281	\$ 18,900	9.53%
Small Capital	\$ 228,289	\$ 226,799	\$ 238,889	\$ 268,639	\$ 29,750	12.45%
<i>Expenses</i>	<i>\$ 922,866</i>	<i>\$ 901,475</i>	<i>\$ 959,089</i>	<i>\$ 1,025,149</i>	<i>\$ 66,060</i>	<i>6.89%</i>
Total 4100 Law Enforcement	\$ 7,855,998	\$ 7,655,171	\$ 8,034,258	\$ 8,230,557	\$ 196,299	2.44%

*Reflects transfers from the Parking Fund to the General Fund rather than actual revenue from parking permits, Depot Square lot fees, and meter revenue.

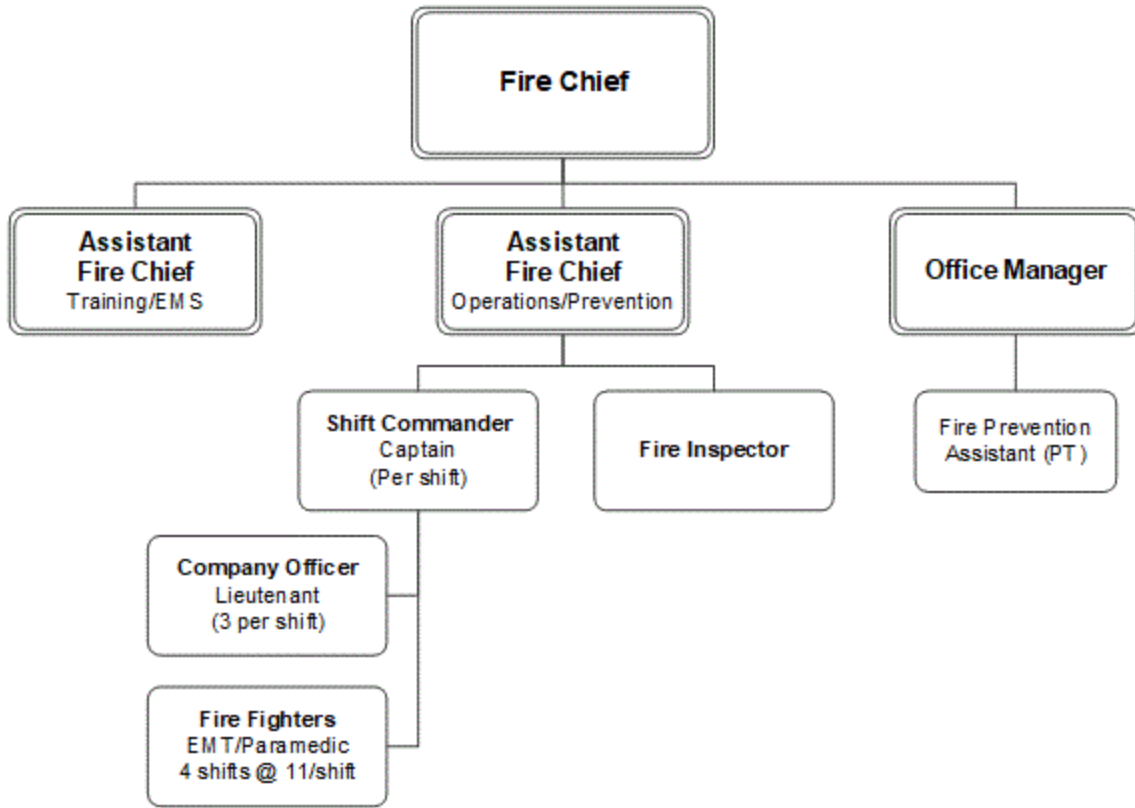
Mission: The Lexington Fire Department protects the people, homes and businesses in our community from fire, medical emergencies, hazardous material incidents and natural disasters. This is accomplished through public education, safety code management and emergency response.

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 (inventory, vehicle maintenance).
2. Work on training and polices to safely navigate COVID-19 challenges
3. Develop an improved employee recruitment process to address diversity and retention.
4. Move into and continue work on new fire headquarters.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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 FY2022 recommended Fire Department budget is \$7,769,310. The recommended budget is a \$271,076 or 3.62% increase from the FY2021 budget.

The recommended budget for Compensation is \$7,047,201, and reflects an increase of \$246,649 or 3.63% from the FY2021 budget, for contractually obligated step increases and cost of living adjustments. All collective bargaining units in the department are under agreement with the Town of Lexington through at least 2022.

The budget for Expenses is \$722,109 and reflects a net increase of \$24,427 or 3.50%, which includes increases in maintenance costs (\$10,000) for fire apparatus, ambulance and fleet vehicles; a new program (\$7,500) to replace the department's portable two-way radios which are nearing the end of their useful life; and continuation of an online training program (\$5,840) begun during the COVID-19 pandemic.

Program Improvement Requests:

None requested.

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 5,466,384	\$ 5,840,461	\$ 6,139,559	\$ 6,350,635	\$ 211,076	3.44%
Fees & Charges						
Ambulance Fees	\$ 1,378,482	\$ 1,321,540	\$ 1,280,000	\$ 1,340,000	\$ 60,000	4.69%
Fire Department Fees	\$ 34,050	\$ 32,850	\$ 33,675	\$ 33,675	\$ —	—%
Licenses & Permits	\$ 60,380	\$ 55,480	\$ 45,000	\$ 45,000	\$ —	—%
Total 4200 Fire & Rescue	\$ 6,939,296	\$ 7,250,331	\$ 7,498,234	\$ 7,769,310	\$ 271,076	3.62%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 6,307,031	\$ 6,645,325	\$ 6,800,552	\$ 7,047,201	\$ 246,649	3.63%
Expenses	\$ 632,264	\$ 605,006	\$ 697,682	\$ 722,109	\$ 24,427	3.50%
Total 4200 Fire & Rescue	\$ 6,939,296	\$ 7,250,331	\$ 7,498,234	\$ 7,769,310	\$ 271,076	3.62%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 4210 Fire Administration	\$ 538,955	\$ 470,901	\$ 558,017	\$ 582,730	\$ 24,713	4.43%
Total 4220 Fire Prevention	\$ 202,477	\$ 228,785	\$ 234,549	\$ 240,605	\$ 6,056	2.58%
Total 4320 Fire Suppression	\$ 6,003,261	\$ 6,382,277	\$ 6,498,668	\$ 6,728,204	\$ 229,536	3.53%
Total 4240 Emergency Medical Services	\$ 190,540	\$ 164,206	\$ 201,000	\$ 211,771	\$ 10,771	5.36%
Total 4250 Emergency Management	\$ 4,063	\$ 4,161	\$ 6,000	\$ 6,000	\$ —	—%
Total 4200 Fire & Rescue	\$ 6,939,296	\$ 7,250,331	\$ 7,498,234	\$ 7,769,310	\$ 271,076	3.62%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 4,961,724	\$ 5,624,935	\$ 5,890,552	\$ 6,075,937	\$ 185,385	3.15%
Overtime	\$ 1,345,307	\$ 1,020,390	\$ 910,000	\$ 971,264	\$ 61,264	6.73%
<i>Personal Services</i>	<i>\$ 6,307,031</i>	<i>\$ 6,645,325</i>	<i>\$ 6,800,552</i>	<i>\$ 7,047,201</i>	<i>\$ 246,649</i>	<i>3.63%</i>
Contractual Services	\$ 269,309	\$ 287,580	\$ 311,300	\$ 336,304	\$ 25,004	8.03%
Utilities	\$ 56,779	\$ 52,053	\$ 63,189	\$ 67,890	\$ 4,701	7.44%
Supplies	\$ 224,570	\$ 263,943	\$ 213,685	\$ 217,415	\$ 3,730	1.75%
Small Capital	\$ 81,606	\$ 1,429	\$ 109,508	\$ 100,500	\$ (9,008)	-8.23%
<i>Expenses</i>	<i>\$ 632,264</i>	<i>\$ 605,006</i>	<i>\$ 697,682</i>	<i>\$ 722,109</i>	<i>\$ 24,427</i>	<i>3.50%</i>
Total 4200 Fire & Rescue	\$ 6,939,296	\$ 7,250,331	\$ 7,498,234	\$ 7,769,310	\$ 271,076	3.62%

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Section VII: Program 5000: Culture & Recreation

This section includes detailed information about the FY2022 Operating Budget & Financing Plan for culture & recreation services. It includes:

- 5100 Cary Memorial Library VII-2
- 5200 Recreation and Community Programs VII-7

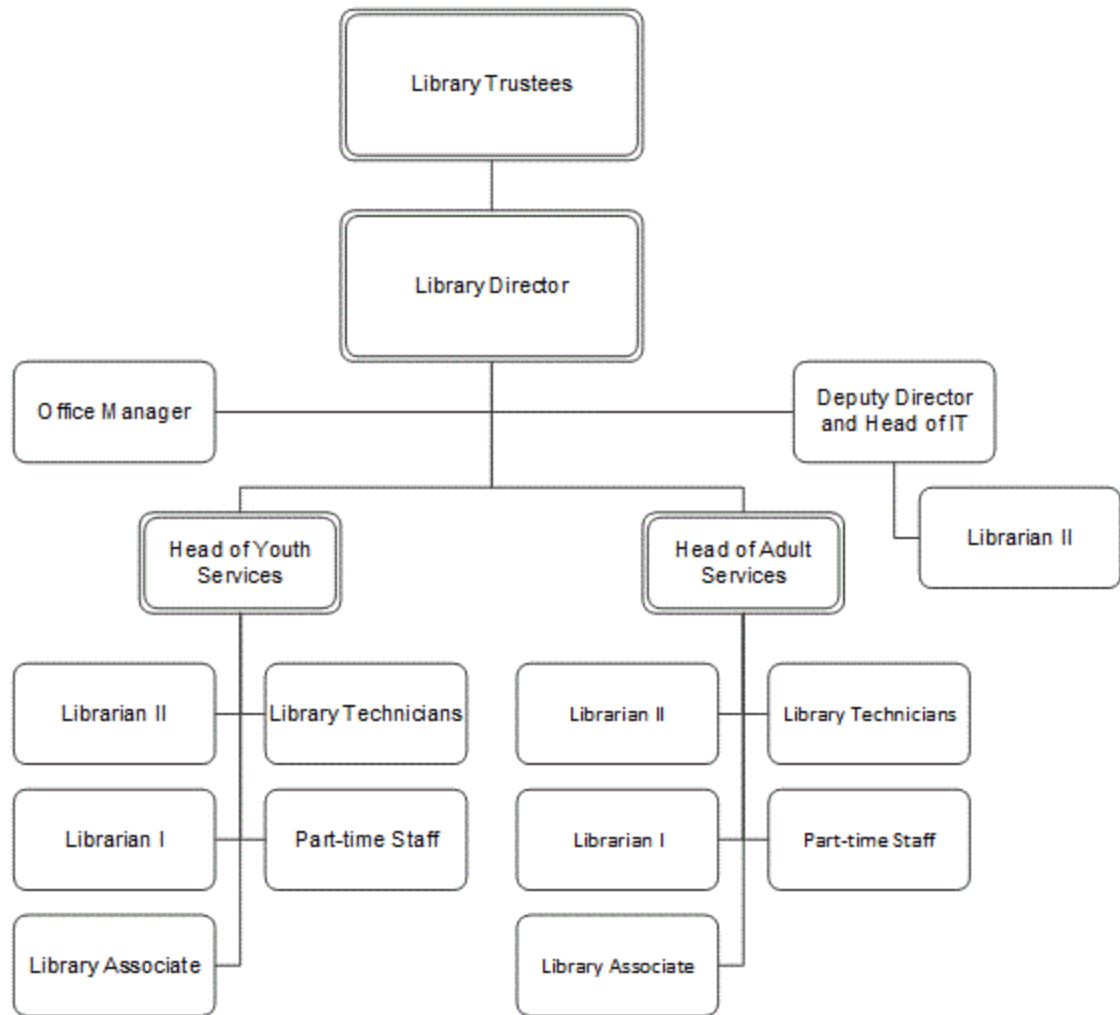
Mission: The Cary Memorial Library's mission is to ignite curiosity, engage minds, and connect our community.

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

- Administration and General Services includes the administrative staff 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.



Authorized/Appropriated Staffing:

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 Request
Library Director	1.0	1.0	1.0	1.0
Deputy Director/Head of Technology	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
Librarian I	5.0	5.0	5.0	5.0
Librarian II	5.0	5.0	5.0	5.0
Library Associates	7.0	7.0	7.0	7.0
Library Technicians*	3.1	3.5	2.8	2.8
Library Technician II*	7.0	7.0	8.0	8.0
Adult Pages	1.6	1.6	1.6	1.6
Student Pages	1.1	1.1	1.1	1.1
Seasonal/Sunday Substitutes	As Needed	As Needed	As Needed	As Needed
Total FTE	34.5	35.2	35.5	35.5

Total FT/PT	26FT/22PT	26FT/23PT	27FT/22PT	27FT/22PT
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*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.

Budget Recommendations:

The FY2022 recommended General Fund Library budget is \$3,106,143, which is a \$146,717 or 4.96% increase from the FY2021 budget.

The General Fund operating budget for Compensation is \$2,475,402, and reflects a \$102,885 or 4.34% increase, which incorporates contractually obligated step increases and cost of living increases.

The General Fund operating budget for Expenses is \$630,741 and reflects a \$43,832 or 7.47% increase, which is primarily driven by 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 FY2022. This was precipitated by a change in the Minuteman Library Network renewal policy, which will automatically renew overdue materials, if available, and is expected to dramatically reduce revenues from fines which were primarily used for materials costs.

Program Improvement Requests:

None requested.

5100 Cary Memorial Library

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 2,675,355	\$ 2,736,466	\$ 2,959,426	\$ 3,106,143	\$ 146,717	4.96%
Total 5100 Library	\$ 2,675,355	\$ 2,736,466	\$ 2,959,426	\$ 3,106,143	\$ 146,717	4.96%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 2,211,884	\$ 2,265,546	\$ 2,372,517	\$ 2,475,402	\$ 102,885	4.34%
Expenses	\$ 463,471	\$ 470,920	\$ 586,909	\$ 630,741	\$ 43,832	7.47%
Total 5100 Library	\$ 2,675,355	\$ 2,736,466	\$ 2,959,426	\$ 3,106,143	\$ 146,717	4.96%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 5110 Admin. & General Services	\$ 489,228	\$ 493,941	\$ 522,271	\$ 542,627	\$ 20,356	3.90%
Total 5120 Adult Services	\$ 1,590,929	\$ 1,565,355	\$ 1,653,126	\$ 1,682,180	\$ 29,054	1.76%
Total 5130 Youth Services	\$ 595,198	\$ 677,170	\$ 784,029	\$ 881,336	\$ 97,307	12.41%
Total 5100 Library	\$ 2,675,355	\$ 2,736,466	\$ 2,959,426	\$ 3,106,143	\$ 146,717	4.96%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 2,127,714	\$ 2,223,069	\$ 2,311,516	\$ 2,412,373	\$ 100,857	4.36%
Prior Year Retro Payments	\$ 24,585	\$ —	\$ —	\$ —	\$ —	—%
Overtime (Sunday Premium)	\$ 59,585	\$ 42,477	\$ 61,001	\$ 63,029	\$ 2,028	3.32%
<i>Personal Services</i>	<i>\$ 2,211,884</i>	<i>\$ 2,265,546</i>	<i>\$ 2,372,517</i>	<i>\$ 2,475,402</i>	<i>\$ 102,885</i>	<i>4.34%</i>
Contractual Services	\$ 112,361	\$ 121,295	\$ 127,786	\$ 141,111	\$ 13,325	10.43%
Utilities	\$ 7,160	\$ 8,153	\$ 7,700	\$ 8,200	\$ 500	6.49%
Supplies	\$ 320,227	\$ 313,613	\$ 411,423	\$ 441,430	\$ 30,007	7.29%
Small Capital	\$ 23,723	\$ 27,859	\$ 40,000	\$ 40,000	\$ —	—%
<i>Expenses</i>	<i>\$ 463,471</i>	<i>\$ 470,920</i>	<i>\$ 586,909</i>	<i>\$ 630,741</i>	<i>\$ 43,832</i>	<i>7.47%</i>
Total 5100 Library	\$ 2,675,355	\$ 2,736,466	\$ 2,959,426	\$ 3,106,143	\$ 146,717	4.96%

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Mission: The Department of Recreation and Community Programs strives to provide affordable, quality programs meeting the needs of the community. The Department is committed to providing active and passive leisure opportunities that are educational, fun and life-enriching. The Department promotes participation by all Lexington residents in safe, accessible and well-maintained facilities.

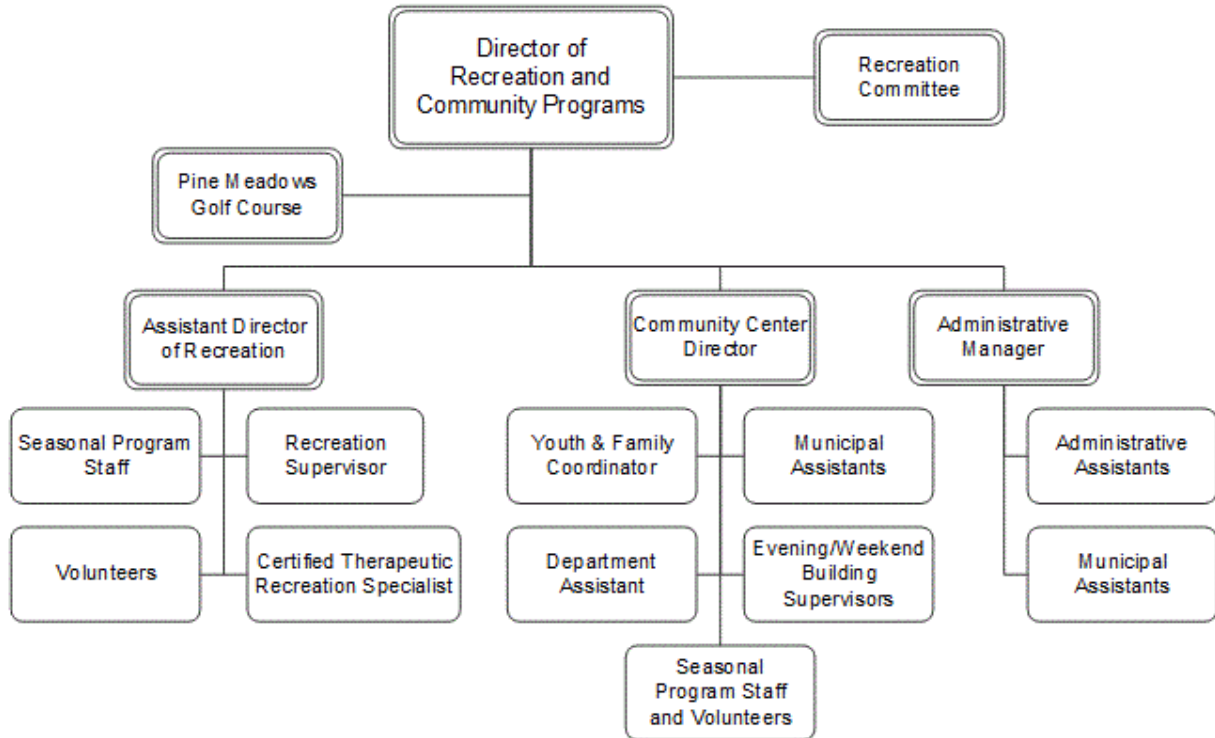
Budget Overview: The Department operates as an Enterprise Fund whereby program and facility fees are anticipated to cover the direct cost of operations. As such, the operating budget may increase or decrease year to year to meet changes in enrollment and facility use demands. In 2015, the Recreation Department was reorganized and renamed the Department of Recreation and Community Programs. 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 needed to operate those programs. 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 FY2022, due to the economic impacts from the pandemic, the Department's contribution to the General Fund to cover the costs of employee benefits and indirect services has been suspended. In addition, transfers from the tax levy are being recommended to support Recreation operations in FY2022, similar to the FY2021 general fund support. Staff will be working to provide options for alternative funding models for the Department to the newly established Fiscal Guideline Working Group. That model may be implemented as soon as FY2023.

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 and trips using facilities that include Outdoor Recreation Facilities such as, parks, playgrounds, athletic fields, tennis and basketball courts, the Town Pool, Old Reservoir and Pine Meadows Golf Club. Additionally, the department utilizes the Community Center, the Public Schools, off-site and out of town venues, the Bikeway, and many other outdoor resources including Conservation and Open Spaces.

Departmental Initiatives: To align with the goals set by the Recreation Committee, in addition to working towards a framework for a visionary and sustainable community set by the Select Board.

1. Pursue and Obtain Parks & Open Space opportunities to increase the community resource inventory of playing fields and pocket parks.
2. Introduce and resume a wide, diverse and accessible variety of in-person and virtual recreational programming both indoor and outdoor for the community.
3. Continue with the development and implementation of the department's therapeutic, adaptive and inclusive recreation programming.
4. Recommend and 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.
5. Partner with the Conservation Department to develop and implement the Town's 2022 Open Space and Recreation Plan Update during the upcoming year.
6. Continue to explore alternate revenue sources, including a variety of different grant opportunities, to assist with program costs and capital improvement projects.



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

5200 Recreation & Community Programs

Program: Culture & Recreation
Town of Lexington, MA

Authorized/Appropriated Staffing

Element: 5210 Administration	FY2019 Budget	FY2020 Budget	FY2021 Revised	FY2022 Request
Director of Recreation and Community Programs	1	1	1	1
Administrative Manager	1	1	1	1
Municipal Assistant*	0.68	0.68	—	—
Administrative Assistant**	2	2	1.8	1.8
Subtotal FTE	4.68	4.68	3.80	3.80
Subtotal FT/PT	4FT/2PT	4FT/2PT	3FT/1PT	3FT/1PT

Element: 5220 Recreation	FY2019 Budget	FY2020 Budget	FY2021 Revised	FY2022 Request
Assistant Director	1	1	1	1
Recreation Supervisor	1	1	1	1
Certified Therapeutic Recreation Specialist***	0.34	0.34	1	1
Seasonal (Part-time)	225+/-	225+/-	225+/-	225+/-
Subtotal FTE	2.34	2.34	3.00	3.00
Subtotal FT/PT	2FT/1PT	2FT/1PT	3FT/0PT	3FT/0PT

Element: 5240 Community Center	FY2019 Budget	FY2020 Budget	FY2021 Revised	FY2022 Request
Community Center Director	1	1	1	1
Department Assistant	1	1	1	1
Municipal Assistant (2, PT)*	1	1	—	1
Youth & Family Coordinator	1	1	1	1
Building Supervisor (2, PT)*	1	1	—	1
Seasonal (Part-time)	50+/-	50+/-	50+/-	50+/-
Subtotal FTE	5	5	3	5
Subtotal FT/PT	3 FT/4 PT	3 FT/4 PT	3 FT/0 PT	3 FT/4 PT

Total FTE	12.02	12.02	9.80	11.80
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Total FT/PT	9FT/7PT + Seasonal	9FT/7PT + Seasonal	10FT/1PT + Seasonal	10FT/5PT + Seasonal
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*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.

***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.

Budget Recommendations:

The FY2022 recommended budget for the Department of Recreation and Community Programs - comprised of four divisions: Pine Meadows Golf, Recreation, Community Center and Administrative - is \$2,589,936. The recommended budget is a \$308,044 or 13.50% increase from the revised FY2021 budget, which was reduced to reflect the impact of pandemic closures, and includes increases to Personal Services and Expenses.

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 FY2022, with \$231,419 being proposed in General Fund support of Community Center wages.

The Community Center provides drop-in program space and offers leisure opportunities to promote social, emotional, 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. 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 \$1,342,201, and reflects a \$380,031 or 39.50% increase from the revised FY2021 budget, which reflects a return to more comprehensive programming, as well as step increases, cost-of-living adjustments, and increase in Seasonal staff.

The recommended budget for Expenses is \$1,247,735 and reflects a \$205,784 or 19.75% increase from the revised FY2021 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 \$547,800 and reflects a net increase of \$47,000 or 9.38%. The current course management contract was awarded in December 2018 for a contract period of 3 years beginning January 2019 through December 2021.

In addition to the \$231,419 proposed to support Community Center wages, \$277,796 in General Fund support is proposed to offset revenue losses as a result of the pandemic, and continue to maintain the core Recreation functions to enable the department to resume full operations more quickly. In light of the fiscal impact from the pandemic shutdowns, indirect payments to the General Fund to support those costs incurred in the General Fund that support the Recreation Enterprise Fund have been suspended in FY2022, a decrease of \$(277,771), or (100.00)%. Overall General Fund support for the department is increasing from \$618,916 in FY2021, including \$400,000 provided at the Fall 2020 Special Town Meeting, to \$795,319 in FY2022, including the suspension of indirect costs.

Program Improvement Requests:

None requested.

5200 Recreation & Community Programs

Program: Culture & Recreation
Town of Lexington, MA

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 214,292	\$ 208,859	\$ 618,916	\$ 509,215	\$ (109,701)	-17.72%
Enterprise Funds						
Retained Earnings	\$ 375,000	\$ 375,000	\$ 375,000	\$ —	\$ (375,000)	-100.00%
Recreation User Charges	\$ 1,284,393	\$ 759,909	\$ 464,036	\$ 1,026,718	\$ 562,682	121.26%
Community Center User Charges	\$ 473,949	\$ 372,293	\$ 153,135	\$ 297,655	\$ 144,520	94.37%
Golf User Charges	\$ 756,462	\$ 759,738	\$ 757,111	\$ 756,348	\$ (763)	-0.10%
Investment Income	\$ 11,435	\$ 8,176	\$ —	\$ —	\$ —	—%
Total 5200 Recreation	\$ 3,115,532	\$ 2,483,975	\$ 2,368,198	\$ 2,589,936	\$ 221,738	9.36%

Appropriation Summary

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,275,859	\$ 1,246,075	\$ 962,170	\$ 1,342,201	\$ 380,031	39.50%
Expenses	\$ 1,233,393	\$ 1,048,149	\$ 1,041,951	\$ 1,247,735	\$ 205,784	19.75%
Debt Service	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Indirect Costs (Trans. to Gen. Fund)	\$ 261,826	\$ 269,681	\$ 277,771	\$ —	\$ (277,771)	-100.00%
Total 5200 Recreation	\$ 2,771,077	\$ 2,563,904	\$ 2,281,892	\$ 2,589,936	\$ 308,044	13.50%

Program Summary

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Recommended	Dollar Increase	Percent Increase
Total 5210 Administration	\$ —	\$ 422,614	\$ 440,828	\$ 413,114	\$ (27,714)	-6.29%
Total 5220 Recreation	\$ 1,334,976	\$ 862,440	\$ 603,219	\$ 1,100,745	\$ 497,526	82.48%
Total 5230 Pine Meadows	\$ 477,896	\$ 444,270	\$ 500,800	\$ 547,800	\$ 47,000	9.38%
Total 5240 Community Center	\$ 696,379	\$ 564,899	\$ 459,274	\$ 528,277	\$ 69,003	15.02%
Indirect Costs	\$ 261,826	\$ 269,681	\$ 277,771	\$ —	\$ (277,771)	-100.00%
Total 5200 Recreation	\$ 2,771,077	\$ 2,563,904	\$ 2,281,892	\$ 2,589,936	\$ 308,044	13.50%

Object Code Summary

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Revised	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,274,891	\$ 1,245,956	\$ 962,170	\$ 1,342,201	\$ 380,031	39.50%
Overtime	\$ 968	\$ 118	\$ —	\$ —	\$ —	—%
<i>Personal Services</i>	<i>\$ 1,275,859</i>	<i>\$ 1,246,075</i>	<i>\$ 962,170</i>	<i>\$ 1,342,201</i>	<i>\$ 380,031</i>	<i>39.50%</i>
Contractual Services	\$ 1,085,154	\$ 952,915	\$ 887,156	\$ 1,050,840	\$ 163,684	18.45%
Utilities	\$ 58,734	\$ 49,981	\$ 68,850	\$ 82,850	\$ 14,000	20.33%
Supplies	\$ 89,505	\$ 45,252	\$ 82,945	\$ 107,045	\$ 24,100	29.06%
Small Capital	\$ —	\$ —	\$ 3,000	\$ 7,000	\$ 4,000	133.33%
<i>Expenses</i>	<i>\$ 1,233,393</i>	<i>\$ 1,048,149</i>	<i>\$ 1,041,951</i>	<i>\$ 1,247,735</i>	<i>\$ 205,784</i>	<i>19.75%</i>
Debt	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Indirect	\$ 261,826	\$ 269,681	\$ 277,771	\$ —	\$ (277,771)	-100.00%
Total 5200 Recreation	\$ 2,771,077	\$ 2,563,904	\$ 2,281,892	\$ 2,589,936	\$ 308,044	13.50%

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Section VIII: Program 6000: Human Services

This section includes detailed information about the FY2022 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

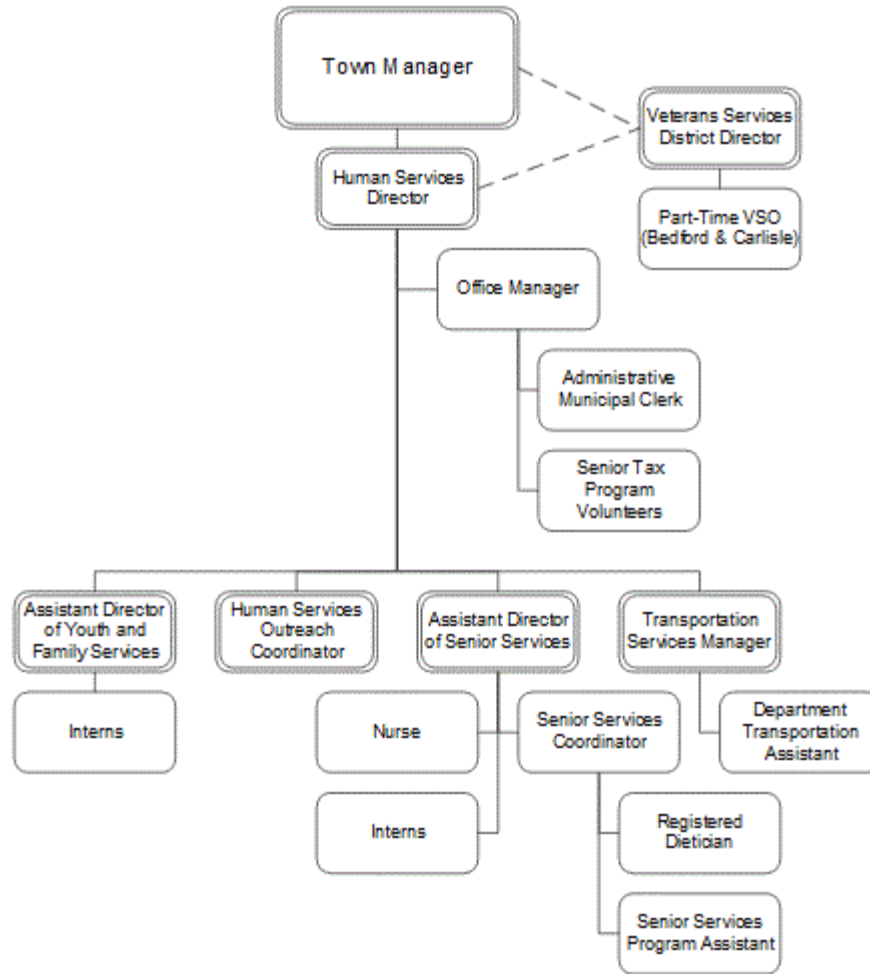
Mission: The Human Services Department connects Lexington residents across the lifespan to information, support and services that promote health and well being; and is responsible for managing the Lexpress bus system, Lex-Connect taxi, and other transportation initiatives. The department seeks to identify 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. 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 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 targeting domains that do not overlap with Comprehensive Plan work. Collaborate on Comprehensive Plan work with continued participation in an advisory and advocacy capacity.
4. Develop 3-year transit action plan in collaboration with the MBTA, adjacent towns, the Select Board, and other Town departments as indicated through multi-survey and transit usage data, resident feedback, and recommendations from the 128 Business Council.
5. Continue to support and promote the William James INTERFACE Referral Service to the residents of Lexington, which has had strong utilization in the first 2+ years with over 240 referrals to the service.



6100-6200 Program Summary

Authorized/Appropriated Staffing:

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 Request
Director of Human Services	1.00	1.00	1.00	1.00
Assistant Director of Senior Services	1.00	1.00	1.00	1.00
Assistant Director of Youth and Family Services	1.00	1.00	1.00	1.00
Outreach Coordinator	1.00	1.00	1.00	1.00
Senior Services Coordinator	1.00	1.00	1.00	1.00
Senior Services Nurse	0.57	0.57	0.57	0.57
Office Manager	1.00	1.00	1.00	1.00
Municipal Clerk (Part-time)*	0.50	0.69	0.69	0.69
Veterans' Services District Director	1.00	1.00	1.00	1.00
Veterans' Services Officer	0.51	0.51	0.51	0.51
Transportation Services Manager**	0.80	0.80	1.00	1.00
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	10.18	10.37	10.57	10.57
Total FT/PT	7FT / 7PT	7FT / 7PT	8FT / 6PT	8FT / 6PT

Explanatory Notes:

*The weekly hours for the Municipal Clerk were increased from 17.5 to 24 in FY2020.

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

***The part-time, hourly, temporary positions of Registered Dietician and Volunteer Coordinator were added in FY2017 and were 100% funded by grants from the Executive Office of Elder Affairs (EOEA) and the Dana Home Foundation through FY2019. They are funded completely by EOEA in FY2020 and the Volunteer Coordinator position was updated to a Program Assistant position in FY20 to reflect the current needs of the department. Available hours vary due to amount of funding.

Budget Recommendations:

The recommended FY2022 All Funds Human Services budget is \$1,795,933 which is a \$(6,567) or (0.36)% decrease from the FY2021 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 FY2022 recommended General Fund operating budget request is \$1,477,465 and reflects a \$(9,357) or (0.63)% decrease from the FY2021 budget.

The General Fund operating budget for Compensation is \$690,474, and reflects a \$29,726 or 4.50% increase, which reflects the cost of contractually obligated step increases and cost of living adjustments.

The General Fund operating budget for Expenses is \$786,991 and reflects a \$(39,083) or (4.73)% decrease, which is a net change that reflects an increase for contractually obligated Lexpress costs, offset by a reduction of \$15,000 from lower projected payments for veterans' benefits due to a declining caseload, and the removal of \$50,000 in Transit Service pilot programs that were funded in FY2021, but were unable to be implemented because of the pandemic. For FY2022, 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)	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,008,329	\$ 1,029,519	\$ 1,324,324	\$ 1,330,298	\$ 5,974	0.45 %
Veteran Benefits Reimbursement	\$ 56,702	\$ 61,498	\$ 37,498	\$ 22,167	\$ (15,331)	-40.88 %
TDM Allocation	\$ 95,000	\$ 95,000	\$ 95,000	\$ 95,000	\$ —	— %
Fees						
Lexpress Fares	\$ 68,529	\$ 56,642	\$ 30,000	\$ 30,000	\$ —	— %
Total 6000 - General Fund	\$ 1,228,560	\$ 1,242,659	\$ 1,486,822	\$ 1,477,465	\$ (9,357)	-0.63 %

Appropriation Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 544,718	\$ 631,963	\$ 660,748	\$ 690,474	\$ 29,726	4.50 %
Expenses	\$ 683,842	\$ 610,696	\$ 826,074	\$ 786,991	\$ (39,083)	-4.73 %
Total 6000 - General Fund	\$ 1,228,560	\$ 1,242,659	\$ 1,486,822	\$ 1,477,465	\$ (9,357)	-0.63 %

Program Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 6110 Administration	\$ 197,815	\$ 194,900	\$ 219,785	\$ 226,584	\$ 6,799	3.09 %
Total 6140 Veterans' Services	\$ 106,824	\$ 85,548	\$ 103,792	\$ 90,048	\$ (13,744)	-13.24 %
Total 6150 Youth & Family Services	\$ 100,251	\$ 159,566	\$ 199,773	\$ 206,118	\$ 6,345	3.18 %
Total 6170 Senior Services & Community Programs	\$ 185,308	\$ 156,243	\$ 186,130	\$ 192,959	\$ 6,829	3.67 %
Total 6210 Transportation Services	\$ 638,363	\$ 646,403	\$ 777,342	\$ 761,756	\$ (15,586)	-2.01 %
Total 6000 - General Fund	\$ 1,228,560	\$ 1,242,659	\$ 1,486,822	\$ 1,477,465	\$ (9,357)	-0.63 %

Object Code Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 544,718	\$ 631,965	\$ 660,748	\$ 690,474	\$ 29,726	4.50 %
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Personal Services</i>	<i>\$ 544,718</i>	<i>\$ 631,965</i>	<i>\$ 660,748</i>	<i>\$ 690,474</i>	<i>\$ 29,726</i>	<i>4.50 %</i>
Contractual Services	\$ 655,704	\$ 583,248	\$ 787,494	\$ 748,561	\$ (38,933)	-4.94 %
Utilities	\$ 2,590	\$ 3,168	\$ 3,840	\$ 3,240	\$ (600)	-15.63 %
Supplies	\$ 20,594	\$ 21,389	\$ 32,240	\$ 31,690	\$ (550)	-1.71 %
Small Capital	\$ 4,954	\$ 2,891	\$ 2,500	\$ 3,500	\$ 1,000	40.00 %
<i>Expenses</i>	<i>\$ 683,842</i>	<i>\$ 610,696</i>	<i>\$ 826,074</i>	<i>\$ 786,991</i>	<i>\$ (39,083)</i>	<i>-4.73 %</i>
Total 6000 - General Fund	\$ 1,228,560	\$ 1,242,662	\$ 1,486,822	\$ 1,477,465	\$ (9,357)	-0.63 %

Budget Summary - Revolving Funds* and Grants

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
EOEA Grant	\$ 94,567	\$ 94,762	\$ 94,764	\$ 94,764	\$ —	— %
Veterans Services Regional Funding	\$ 41,231	\$ 58,293	\$ 89,671	\$ 92,461	\$ 2,790	3.11 %
Senior Services Revolving Fund*	\$ 71,666	\$ 33,638	\$ 75,000	\$ 75,000	\$ —	— %
MBTA Grant	\$ 52,000	\$ 54,080	\$ 56,243	\$ 56,243	\$ —	— %
Total 6000 - Non-General Fund	\$ 259,464	\$ 240,773	\$ 315,678	\$ 318,468	\$ 2,790	0.88 %

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

Appropriations Summary (Non-General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
EOEA Grant	\$ 94,762	\$ 89,721	\$ 94,764	\$ 94,764	\$ —	—%
<i>Personal Services</i>	\$ 56,735	\$ 62,628	\$ 67,057	\$ 67,346	\$ 289	0.43 %
<i>Expenses</i>	\$ 38,027	\$ 27,093	\$ 27,707	\$ 27,418	\$ (289)	-1.04 %
Veterans' Services Regional Funding	\$ 42,080	\$ 57,936	\$ 89,671	\$ 92,461	\$ 2,790	3.11%
<i>Personal Services</i>	\$ 40,935	\$ 55,670	\$ 87,326	\$ 90,116	\$ 2,790	3.19 %
<i>Expenses</i>	\$ 1,145	\$ 2,266	\$ 2,345	\$ 2,345	\$ —	— %
Senior Services Revolving Fund						
<i>Expenses</i>	\$ 52,895	\$ 38,157	\$ 75,000	\$ 75,000	\$ —	— %
MBTA Grant - Transportation Services						
<i>Expenses</i>	\$ 53,410	\$ 54,080	\$ 56,243	\$ 56,243	\$ —	— %
Total 6000 - Non-General Fund	\$ 243,146	\$ 239,895	\$ 315,678	\$ 318,468	\$ 2,790	0.88 %

Budget Summary - All Funds

Appropriation Summary (All Funds)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 642,388	\$ 750,261	\$ 815,131	\$ 847,936	\$ 32,805	4.02 %
Expenses	\$ 829,318	\$ 732,293	\$ 987,369	\$ 947,997	\$ (39,372)	-3.99 %
Total 6000 Human Services (All Funds)	\$ 1,471,706	\$ 1,482,554	\$ 1,802,500	\$ 1,795,933	\$ (6,567)	-0.36 %

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

This section includes detailed information about the FY2022 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 departments 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.

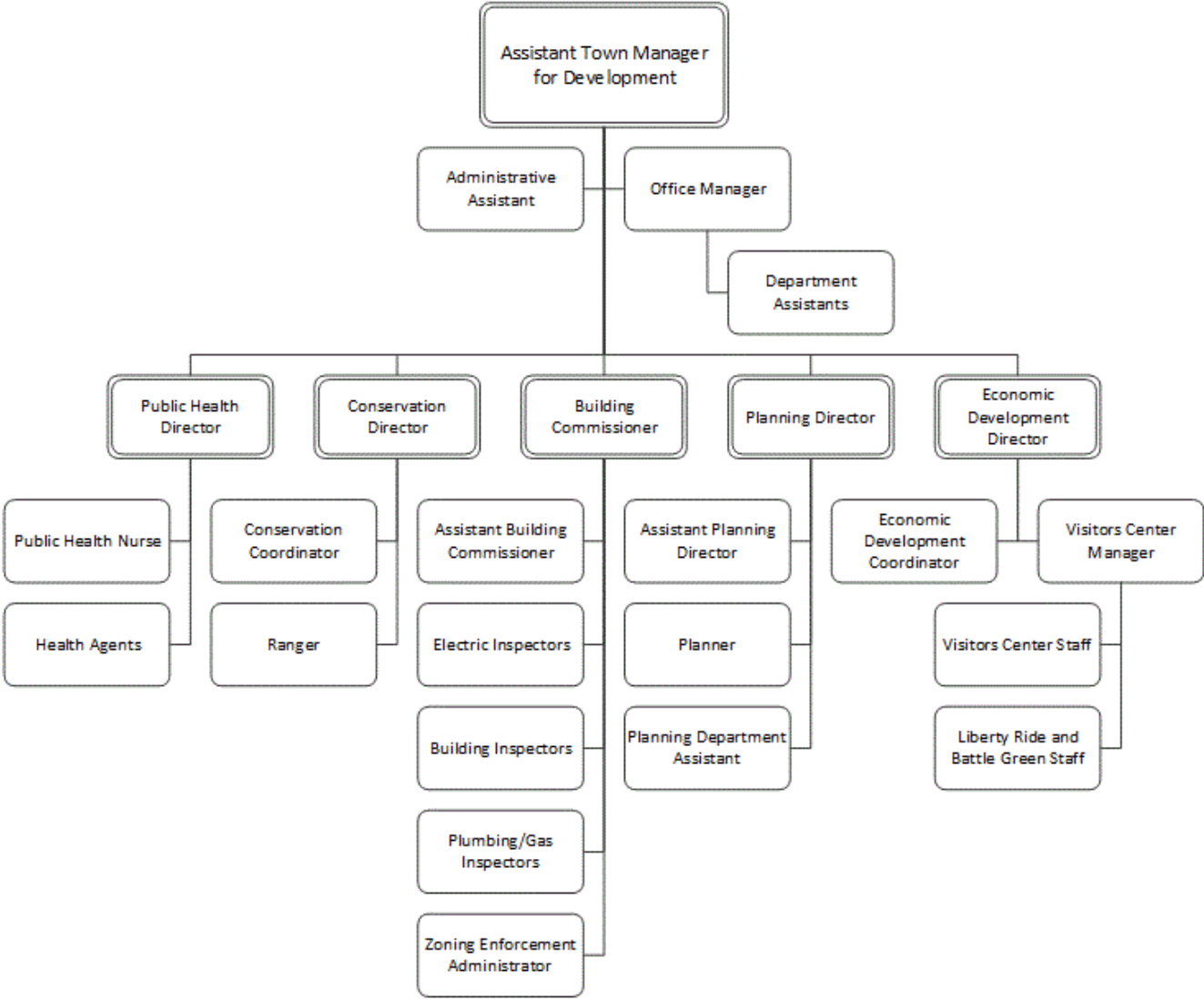
Budget Overview: The Land Use, Health and Development Department is comprised of: Building and Zoning, Conservation, Health, Planning and Economic Development.

- 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

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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	0.7	0.7	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
Public Health Agents*	1	1	2	2
Public Health Nurse**	0.6	0.6	0.6	0.6
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	0.38
Total FTE	31.62	31.62	32.62	32.62
Total FT/PT	23FT/11PT + Seasonal	23FT/11PT + Seasonal	24FT/11PT + Seasonal	24FT/11PT + Seasonal

Explanatory Notes:

*A second Health Agent was funded in FY2021 via a program improvement.

**The full-time Public Health Nurse is shared between Lexington (.6) and Belmont (.4) per Nursing Services Agreement executed in FY2009.

7100-7400 Program Summary

Budget Recommendations:

The FY2022 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 \$3,179,013, which is a \$53,653 or 1.72% increase from the FY2021 budget.

The FY2022 recommended Land Use, Health and Development General Fund operating budget is \$2,693,989 which is a \$52,928, or 2.00% increase from the FY2021 General Fund budget.

The General Fund operating budget for Compensation is \$2,171,252 and reflects a \$57,178 or 2.70% increase, which funds contractually obligated cost of living and step increases.

The General Fund operating budget for Expenses is \$522,737 and reflects a decrease of \$(4,250) or (0.81)%, which is a net change that reflects realigning the budget to reflect historical spending at Building and Zoning (\$15,000), removing a one-time program improvement for Across Lexington brochure printing at Administration (\$9,000), and removing one-time Hartwell Avenue outreach costs at Economic Development (\$16,300); offset by increasing support for the Visitors Center by \$25,000 to a total of \$94,000 in FY2022, and increasing Marketing (\$6,000) and Subscriptions (\$5,000) for the Economic Development Office.

The FY2022 recommended budget for the Residential Engineering Review, Health Program, Liberty Ride, and Visitor Center revolving funds is \$582,624, an increase of \$725 or 0.12%, which reflects ongoing adjustments as the Visitors Center anticipates a full reopening at their permanent location following the impact of 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	
Part-Time Administrative Assistant	\$ 33,879	\$ 16,426	\$ 50,305	\$ —	\$ —	\$ —	\$ 50,305

7100-7400 Program Summary

Budget Summary - General Fund

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ (493,553)	\$ (706,447)	\$ 848,161	\$ 893,389	\$ 45,228	5.33 %
TDM Stabilization Fund	\$ 46,000	\$ 46,000	\$ 46,000	\$ 46,000	\$ —	— %
Center Impr. District Stab. Fund	\$ 27,000	\$ 27,000	\$ —	\$ —	\$ —	— %
Fees & Charges						
Departmental Fees	\$ 69,385	\$ 77,773	\$ 49,200	\$ 56,900	\$ 7,700	15.65 %
Licenses & Permits	\$ 2,442,867	\$ 2,711,117	\$ 1,697,700	\$ 1,697,700	\$ —	— %
Total 7100-7400 - General Fund	\$ 2,091,699	\$ 2,155,443	\$ 2,641,061	\$ 2,693,989	\$ 52,928	2.00 %

Appropriation Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,732,512	\$ 1,828,944	\$ 2,114,074	\$ 2,171,252	\$ 57,178	2.70 %
Expenses	\$ 359,187	\$ 326,499	\$ 526,987	\$ 522,737	\$ (4,250)	-0.81 %
Total 7100-7400 - General Fund	\$ 2,091,699	\$ 2,155,443	\$ 2,641,061	\$ 2,693,989	\$ 52,928	2.00 %

Level-Service Requests (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 7110 Building & Zoning	\$ 561,245	\$ 609,689	\$ 637,970	\$ 640,862	\$ 2,892	0.45 %
Total 7120 Administration	\$ 419,033	\$ 429,696	\$ 551,243	\$ 553,500	\$ 2,257	0.41 %
Total 7130 Conservation	\$ 236,134	\$ 214,574	\$ 264,797	\$ 255,027	\$ (9,770)	-3.69 %
Total 7140 Health	\$ 270,435	\$ 252,755	\$ 365,354	\$ 400,951	\$ 35,597	9.74 %
Total 7200 Planning	\$ 266,912	\$ 323,020	\$ 424,414	\$ 434,992	\$ 10,578	2.49 %
Total 7300 Economic Development	\$ 337,940	\$ 325,708	\$ 397,283	\$ 408,657	\$ 11,374	2.86 %
Total 7100-7400 - General Fund	\$ 2,091,699	\$ 2,155,443	\$ 2,641,061	\$ 2,693,989	\$ 52,928	2.00 %

Object Code Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,718,043	\$ 1,816,122	\$ 2,080,623	\$ 2,136,687	\$ 56,064	2.69 %
Overtime	\$ 14,469	\$ 12,822	\$ 33,451	\$ 34,565	\$ 1,114	3.33 %
<i>Personal Services</i>	<i>\$ 1,732,512</i>	<i>\$ 1,828,944</i>	<i>\$ 2,114,074</i>	<i>\$ 2,171,252</i>	<i>\$ 57,178</i>	<i>2.70 %</i>
Contractual Services	\$ 304,079	\$ 180,715	\$ 408,376	\$ 374,526	\$ (33,850)	-8.29 %
Utilities	\$ 11,962	\$ 10,062	\$ 12,461	\$ 13,111	\$ 650	5.22 %
Supplies	\$ 43,146	\$ 135,723	\$ 106,150	\$ 135,100	\$ 28,950	27.27 %
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Expenses</i>	<i>\$ 359,187</i>	<i>\$ 326,499</i>	<i>\$ 526,987</i>	<i>\$ 522,737</i>	<i>\$ (4,250)</i>	<i>-0.81 %</i>
Total 7100-7400 - General Fund	\$ 2,091,699	\$ 2,155,443	\$ 2,641,061	\$ 2,693,989	\$ 52,928	2.00 %

7100-7400 Program Summary

Budget Summary - Revolving Funds

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Residential Engineering Review Revolving Fund	\$ —	\$ —	\$ 57,600	\$ 57,600	\$ —	—%
Health Programs Revolving Fund	\$ 33,291	\$ 22,654	\$ 45,000	\$ 45,000	\$ —	—%
Lab Animal Permits Revolving Fund	\$ —	\$ —	\$ 40,000	\$ 40,000	\$ —	—%
Liberty Ride Revolving Fund	\$ 179,041	\$ 125,800	\$ 195,000	\$ 195,000	\$ —	—%
Visitor Center Revolving Fund	\$ 147,613	\$ 39,309	\$ 247,000	\$ 247,000	\$ —	—%
Total 7100-7400 - Rev. Funds	\$ 359,945	\$ 187,763	\$ 584,600	\$ 584,600	\$ —	—%

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

Appropriation Summary (Revolving Funds)

	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
7110 - Residential Engineering Review						
Expenses	\$ —	\$ —	\$ 57,600	\$ 57,600	\$ —	—%
7140 - Health Programs						
Expenses	\$ 36,197	\$ 45,719	\$ 45,000	\$ 45,000	\$ —	—%
7140 - Lab Animal Permits						
Expenses	\$ —	\$ —	\$ 40,000	\$ 40,000	\$ —	—%
7320 - Liberty Ride						
Compensation	\$ 59,280	\$ 41,715	\$ 68,200	\$ 68,200	\$ —	—%
Expenses	\$ 122,994	\$ 97,795	\$ 125,063	\$ 125,063	\$ —	—%
7340 - Visitor Center						
Compensation	\$ 107,855	\$ 18,459	\$ 131,238	\$ 138,541	\$ 7,303	5.56%
Expenses	\$ 62,454	\$ 25,899	\$ 114,798	\$ 108,220	\$ (6,578)	-5.73%
Total 7100-7400 - Rev. Funds	\$ 388,780	\$ 229,588	\$ 581,899	\$ 582,624	\$ 725	0.12%

Budget Summary - All Funds

Appropriation Summary (All Funds)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,899,647	\$ 1,889,118	\$ 2,313,512	\$ 2,377,993	\$ 64,481	2.79%
Expenses	\$ 580,832	\$ 495,913	\$ 811,848	\$ 801,020	\$ (10,828)	-1.33%
Total 7100-7400 - All Funds	\$ 2,480,479	\$ 2,385,031	\$ 3,125,360	\$ 3,179,013	\$ 53,653	1.72%

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7110 Building & Zoning

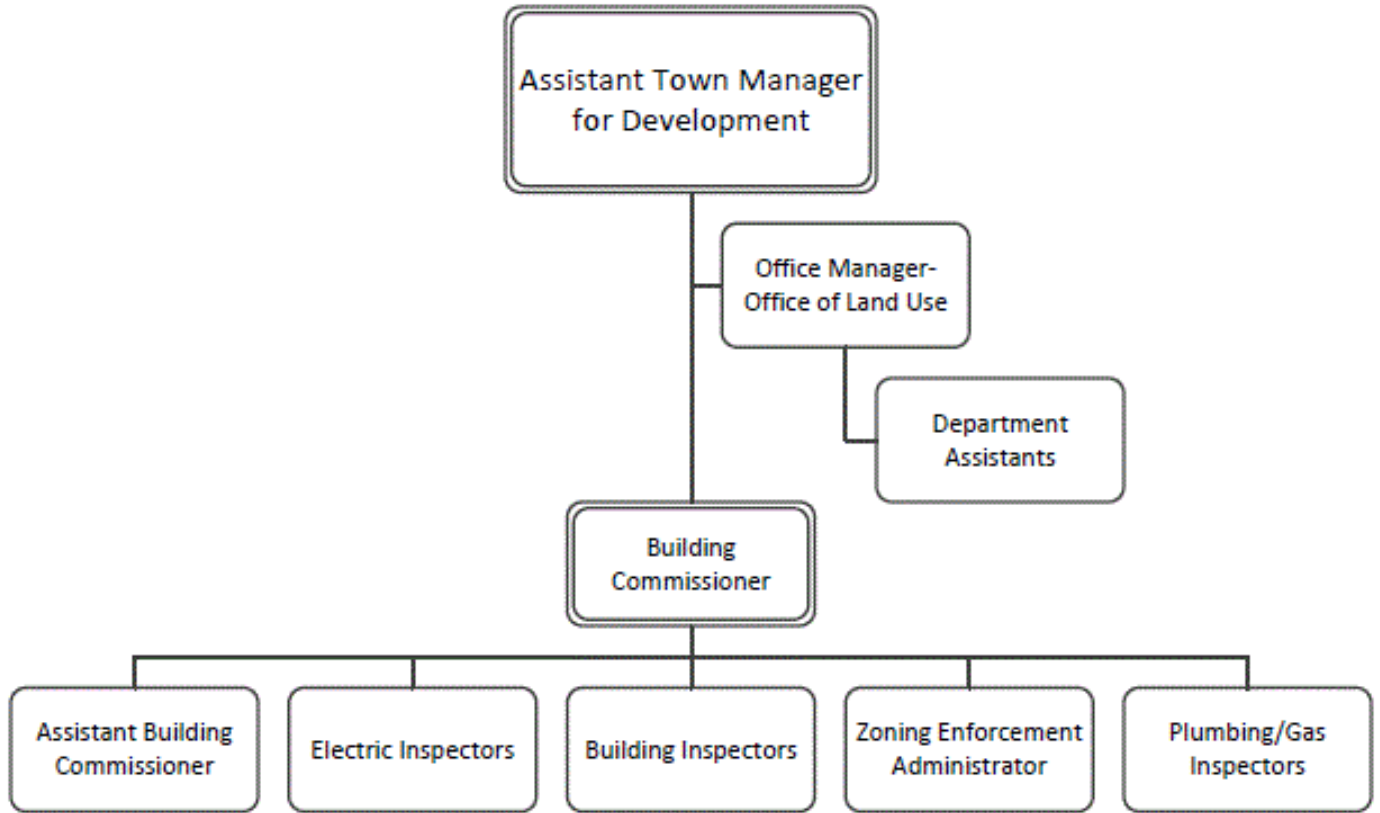
Mission: The Building and Zoning Department is a regulatory function with the goal of protecting the health and safety of residents. This role is fulfilled through the enforcement of building, zoning and land use regulations.

Budget Overview: The Building and Zoning Department 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. To issue all annual inspection certificates, certificates of occupancy and restaurant occupancy certificates electronically via ViewPoint Cloud.
3. Continue to implement the Laserfiche Document Imaging Software for Building and Zoning Permit records, including converting historical records to digital format and migrating into software.
4. Add new inspections to the current work load of the Building Inspectors for all new homes and large additions for roof and stormwater compliance.
5. Assist the planning office in amending the zoning bylaw to address small garden sheds and heights of walls in residential districts.
6. Educate and enforce the new groundwater zoning bylaw.

7110 Building & Zoning



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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	0.38
Total FTE	6.76	6.76	6.76	6.76
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.

7110 Building & Zoning

Budget Recommendations:

The FY2022 recommended All Funds Building and Zoning budget is \$698,462 a \$2,892 or 0.42% increase from the FY2021 budget.

The FY2022 recommended General Fund Building and Zoning budget is \$640,862 a \$2,892 or 0.45% increase from the FY2021 budget.

The recommended budget for Compensation is \$592,272 and reflects a \$17,042, or 2.96% increase, which is due to contractually obligated step increases and cost of living adjustments.

The recommended budget for Expenses is \$48,590 and reflects a decrease of \$(14,150) or (22.55)% from FY2021, due to adjusting the budget to better align with past spending levels.

Program Improvement Requests:

None requested.

7110 Building & Zoning

Town of Lexington, MA

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ (1,851,922)	\$ (2,096,778)	\$ (1,049,730)	\$ (1,046,838)	\$ 2,892	-0.28%
Directed Funding						
Departmental Fees	\$ 16,585	\$ 12,210	\$ 12,500	\$ 12,500	\$ —	—%
Licenses and Permits	\$ 2,396,582	\$ 2,694,257	\$ 1,675,200	\$ 1,675,200	\$ —	—%
Total 7110 Building and Zoning	\$ 561,245	\$ 609,689	\$ 637,970	\$ 640,862	\$ 2,892	0.45%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 522,958	\$ 582,335	\$ 575,230	\$ 592,272	\$ 17,042	2.96%
Expenses	\$ 38,287	\$ 27,355	\$ 62,740	\$ 48,590	\$ (14,150)	-22.55%
Total 7110 Building and Zoning	\$ 561,245	\$ 609,689	\$ 637,970	\$ 640,862	\$ 2,892	0.45%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 518,569	\$ 577,238	\$ 569,095	\$ 585,933	\$ 16,838	2.96%
Overtime	\$ 4,388	\$ 5,096	\$ 6,135	\$ 6,339	\$ 204	3.33%
<i>Personal Services</i>	\$ 522,958	\$ 582,335	\$ 575,230	\$ 592,272	\$ 17,042	2.96%
Contractual Services	\$ 27,591	\$ 5,444	\$ 51,640	\$ 36,640	\$ (15,000)	-29.05%
Utilities	\$ 7,277	\$ 5,635	\$ 6,200	\$ 6,800	\$ 600	9.68%
Supplies	\$ 3,420	\$ 16,275	\$ 4,900	\$ 5,150	\$ 250	5.10%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	\$ 38,287	\$ 27,355	\$ 62,740	\$ 48,590	\$ (14,150)	-22.55%
Total 7110 Building and Zoning	\$ 561,245	\$ 609,689	\$ 637,970	\$ 640,862	\$ 2,892	0.45%

Budget Summary - Revolving Funds*

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Residential Engineering Review	\$ —	\$ —	\$ 57,600	\$ 57,600	\$ —	—%
Total 7110 B&Z Rev. Funds	\$ —	\$ —	\$ 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)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
7110 - Residential Engineering Review Revolving Fund						
<i>Expenses</i>	\$ —	\$ —	\$ 57,600	\$ 57,600	\$ —	—%
Total 7110 B&Z Rev. Funds	\$ —	\$ —	\$ 57,600	\$ 57,600	\$ —	—%

Budget Summary - All Funds

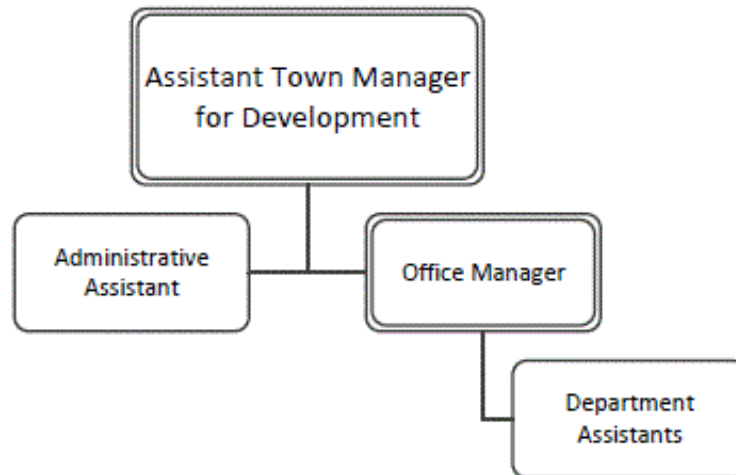
Appropriation Summary (All Funds)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 522,958	\$ 582,335	\$ 575,230	\$ 592,272	\$ 17,042	2.96%
Expenses	\$ 38,287	\$ 27,355	\$ 120,340	\$ 106,190	\$ (14,150)	-11.76%
Total 7110 B&Z - All Funds	\$ 561,245	\$ 609,689	\$ 695,570	\$ 698,462	\$ 2,892	0.42%

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 Departments 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. Develop written procedures for administrative workflow for permit intake processing and permit fee payment processing.
2. Develop written procedures for administrative support to the managers supporting boards and commissions
3. Refine and expand Health and Conservation permit applications and workflow in ViewPoint permitting software.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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 FY2022 General Fund budget for the Office of Administration is \$553,500, an increase of \$2,257 or 0.41% from the FY2021 budget.

The General Fund operating budget for Compensation is \$503,200 and reflects an increase of \$13,257 or 2.71% for contractually obligated step increases and cost of living adjustments.

The General Fund operating budget for Expenses is \$50,300 and reflects a net decrease of \$(11,000) or (17.94)%, which incorporates adjustments to reflect actual expenditures as well as removal of one-time funding to reprint ACROSS Lexington brochures.

Program Improvement Requests:

None requested.

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 407,833	\$ 421,596	\$ 537,543	\$ 532,100	\$ (5,443)	-1.01%
Directed Funding						
Departmental Fees	\$ 11,200	\$ 8,100	\$ 13,700	\$ 21,400	\$ 7,700	56.20%
Total 7120 Administration	\$ 419,033	\$ 429,696	\$ 551,243	\$ 553,500	\$ 2,257	0.41%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 385,970	\$ 415,527	\$ 489,943	\$ 503,200	\$ 13,257	2.71%
Expenses	\$ 33,063	\$ 14,169	\$ 61,300	\$ 50,300	\$ (11,000)	-17.94%
Total 7120 Administration	\$ 419,033	\$ 429,696	\$ 551,243	\$ 553,500	\$ 2,257	0.41%

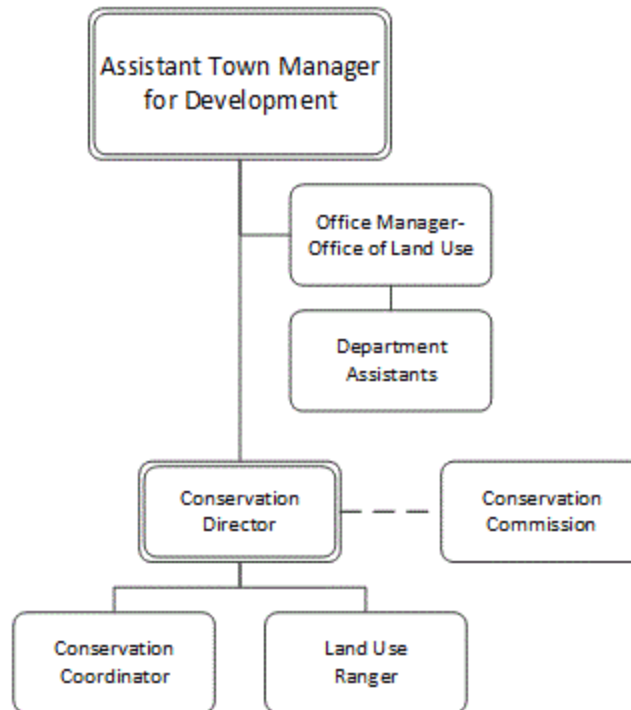
Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 378,748	\$ 410,923	\$ 477,690	\$ 490,539	\$ 12,849	2.69%
Overtime	\$ 7,222	\$ 4,604	\$ 12,253	\$ 12,661	\$ 408	3.33%
<i>Personal Services</i>	<i>\$ 385,970</i>	<i>\$ 415,527</i>	<i>\$ 489,943</i>	<i>\$ 503,200</i>	<i>\$ 13,257</i>	<i>2.71%</i>
Contractual Services	\$ 26,832	\$ 8,746	\$ 52,900	\$ 43,200	\$ (9,700)	-18.34%
Utilities	\$ 600	\$ 614	\$ 600	\$ 600	\$ —	—%
Supplies	\$ 5,631	\$ 4,809	\$ 7,800	\$ 6,500	\$ (1,300)	-16.67%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	<i>\$ 33,063</i>	<i>\$ 14,169</i>	<i>\$ 61,300</i>	<i>\$ 50,300</i>	<i>\$ (11,000)</i>	<i>-17.94%</i>
Total 7120 Administration	\$ 419,033	\$ 429,696	\$ 551,243	\$ 553,500	\$ 2,257	0.41%

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 Office 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. Onboard newly hired employees and provide a comprehensive orientation, training, and development program.
2. Complete a comprehensive analysis of the conversion of historical conservation records to digital format and migration into the Laserfiche Document Imaging Software property address records and update missing records as necessary.
3. Complete the implementation of the inspection component of the ViewPoint Cloud Software for conservation permits to provide for a comprehensive electronic permit management and tracking system.
4. Implement Novus Agenda Software for Conservation Commission Meeting management.
5. Plan for and acquire open space parcels as prioritized by the Conservation Commission.
6. Implement the numerous conservation land management projects, including meadows preservation, trail and boardwalk construction, signage and kiosks installation, Parker Meadow Universal Accessible Trail Construction (FY2021 CPA), Wright Farm Conceptual Site Access Design and Parking (FY2021 CPA), Willard's Woods Land Management Planning and Accessible Design (FY2020), and the Open Space and Recreation Plan 7-Year Update (Subject to FY2022 CPA Capital funding request).



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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	Seasonals	Seasonals	Seasonals	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 FY2022 General Fund Conservation budget is \$255,027, a decrease of \$(9,770) or (3.69)% from the FY2021 budget.

This includes a \$(10,570) or (4.59)% decrease in compensation which is a net change reflecting staff turnover savings, offset by contractually obligated step increases and cost of living adjustments.

Expenses reflect a increase of \$800, or 2.32%, to provide enhanced meadow maintenance for the Daisy Wilson Meadow Preservation project funded in FY2021 from Community Preservation Act funding.

Program Improvement Requests:

None requested.

7130 Conservation

Budget Summary:

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 230,034	\$ 211,274	\$ 261,797	\$ 252,027	\$ (9,770)	-3.73%
Directed Funding						
Fees	\$ 6,100	\$ 3,300	\$ 3,000	\$ 3,000	\$ —	—%
Total 7130 Conservation	\$ 236,134	\$ 214,574	\$ 264,797	\$ 255,027	\$ (9,770)	-3.69%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 205,030	\$ 192,861	\$ 230,350	\$ 219,780	\$ (10,570)	-4.59%
Expenses	\$ 31,104	\$ 21,713	\$ 34,447	\$ 35,247	\$ 800	2.32%
Total 7130 Conservation	\$ 236,134	\$ 214,574	\$ 264,797	\$ 255,027	\$ (9,770)	-3.69%

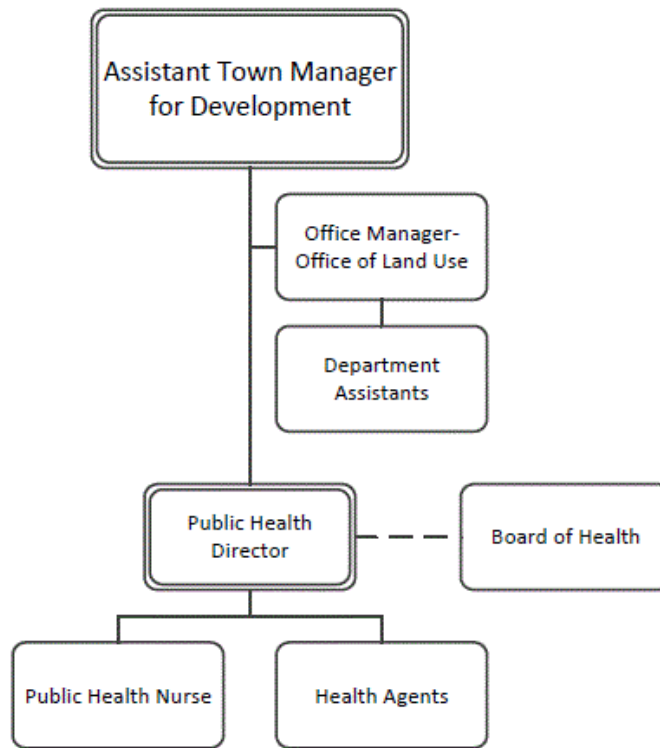
Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 203,227	\$ 191,510	\$ 227,371	\$ 216,701	\$ (10,670)	-4.69%
Overtime	\$ 1,803	\$ 1,351	\$ 2,979	\$ 3,079	\$ 100	3.36%
<i>Personal Services</i>	<i>\$ 205,030</i>	<i>\$ 192,861</i>	<i>\$ 230,350</i>	<i>\$ 219,780</i>	<i>\$ (10,570)</i>	<i>-4.59%</i>
Contractual Services	\$ 23,078	\$ 11,309	\$ 25,886	\$ 26,636	\$ 750	2.90%
Utilities	\$ 2,735	\$ 2,389	\$ 2,861	\$ 2,911	\$ 50	1.75%
Supplies	\$ 5,290	\$ 8,015	\$ 5,700	\$ 5,700	\$ —	—%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	<i>\$ 31,104</i>	<i>\$ 21,713</i>	<i>\$ 34,447</i>	<i>\$ 35,247</i>	<i>\$ 800</i>	<i>2.32%</i>
Total 7130 Conservation	\$ 236,134	\$ 214,574	\$ 264,797	\$ 255,027	\$ (9,770)	-3.69%

Mission: Under the direction of the Lexington Board of Health, the mission of the Lexington Health Department 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 Department 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 Department staff is comprised of the Health Director, two Health Agents, and a part-time Public Health Nurse.

Division Initiatives:

1. Update local public health regulations for rDNA, Body Art, and Animal Keeping to remain up-to-date with best practices and scientific advances.
2. 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 ViewPoint Cloud through integration of fillable PDF inspection forms for the aforementioned record types.
3. Respond to all inquiries, complaints, and concerns from the public and staff in a timely fashion. Perform a sufficient number of routine inspections to ensure compliance with state and local regulations.
4. Finalize Emergency Dispensing Site (EDS) plan for emerging infectious disease threats (e.g., pandemic influenza, bioterror agents) and facilitate local exercises and drills as required by the Massachusetts Department of Public Health. Continue to work with Region 4A to improve regional collaboration and MRC volunteer participation in Lexington.
5. Update and exercise public health mass shelter plans, develop shelter intake and medical triage forms, and develop a checklist for environmental health risk management in shelters.
6. 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.
7. Continue to serve as a local resource for public education and outreach on the impacts of climate change on health. Collaborate with the Sustainability Director.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 Request
Public Health Director	1	1	1	1
Public Health Agents*	1	1	2	2
Public Health Nurse **	0.6	0.6	0.6	0.6
Total FTE	2.6	2.6	3.6	3.6
Total FT/PT	2FT/1PT	2FT/1PT	3FT/1PT	3FT/1PT

*In FY2021, a second Public Health Agent was added via a program improvement.

** The full-time Public Health Nurse is shared between Lexington (.6) and Belmont (.4) per Nursing Services Agreement executed in FY2009.

Budget Recommendations:

The recommended FY2022 All Funds Health budget inclusive of the General Fund operating budget and the Health Program Revolving Fund, which funds health clinics, is \$445,951. The recommended budget is a \$35,597 or 8.67% increase from the FY2021 budget.

The FY2022 recommended Health General Fund operating budget is \$400,951, which is a \$35,597 or 9.74% increase from the FY2021 General Fund budget.

The General Fund operating budget for Compensation is \$311,401 and reflects a \$37,097 or 13.52% increase, which funds the cost of contractually obligated step increases and salary increases.

The General Fund operating budget for Expenses is \$89,550 and reflects a \$(1,500) or (1.65)% decrease, which reflects a \$1,500 decrease in staff mileage and travel expenses.

The FY2022 Health Programs Revolving Fund is recommended at \$45,000 which is level-funded from the FY2021 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:

None requested.

Budget Summary - General Fund

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 224,150	\$ 235,895	\$ 342,854	\$ 378,451	\$ 35,597	10.38%
Directed Funding						
Permits	\$ 46,285	\$ 16,860	\$ 22,500	\$ 22,500	\$ —	—%
Total 7140 Health	\$ 270,435	\$ 252,755	\$ 365,354	\$ 400,951	\$ 35,597	9.74%

Appropriation Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 200,404	\$ 207,852	\$ 274,304	\$ 311,401	\$ 37,097	13.52%
Expenses	\$ 70,031	\$ 44,903	\$ 91,050	\$ 89,550	\$ (1,500)	-1.65%
Total 7140 Health	\$ 270,435	\$ 252,755	\$ 365,354	\$ 400,951	\$ 35,597	9.74%

Object Code Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 200,404	\$ 206,941	\$ 272,591	\$ 309,631	\$ 37,040	13.59%
Overtime	—	910	\$ 1,713	\$ 1,770	\$ 57	3.33%
<i>Personal Services</i>	<i>\$ 200,404</i>	<i>\$ 207,852</i>	<i>\$ 274,304</i>	<i>\$ 311,401</i>	<i>\$ 37,097</i>	<i>13.52%</i>
Contractual Services	\$ 65,455	\$ 43,273	\$ 82,000	\$ 80,500	\$ (1,500)	-1.83%
Utilities	\$ 1,350	\$ 1,102	\$ 2,800	\$ 2,800	\$ —	—%
Supplies	\$ 3,226	\$ 529	\$ 6,250	\$ 6,250	\$ —	—%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	<i>\$ 70,031</i>	<i>\$ 44,903</i>	<i>\$ 91,050</i>	<i>\$ 89,550</i>	<i>\$ (1,500)</i>	<i>-1.65%</i>
Total 7140 Health	\$ 270,435	\$ 252,755	\$ 365,354	\$ 400,951	\$ 35,597	9.74%

Budget Summary - Revolving Funds*

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Health Programs Revolving Fund	\$ 33,291	\$ 22,654	\$ 45,000	\$ 45,000	\$ —	—%
Lab Animal Permits Revolving Fund	\$ —	\$ —	\$ 40,000	\$ 40,000	\$ —	—%
Total 7140 Health	\$ 33,291	\$ 22,654	\$ 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)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
7140 - Health Programs Revolving Fund						
<i>Expenses</i>	\$ 36,197	\$ 45,719	\$ 45,000	\$ 45,000	\$ —	—%
7140 - Lab Animal Permits Revolving Fund						
<i>Expenses</i>	\$ —	\$ —	\$ 40,000	\$ 40,000	\$ —	—%
Total 7140 Health	\$ 36,197	\$ 45,719	\$ 85,000	\$ 85,000	\$ —	—%

Budget Summary - All Funds

Appropriation Summary (All Funds)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 200,404	\$ 207,852	\$ 274,304	\$ 311,401	\$ 37,097	13.52%
Expenses	\$ 106,228	\$ 90,622	\$ 136,050	\$ 134,550	\$ (1,500)	-1.10%
Total 7140 Health - All Funds	\$ 306,632	\$ 298,474	\$ 410,354	\$ 445,951	\$ 35,597	8.67%

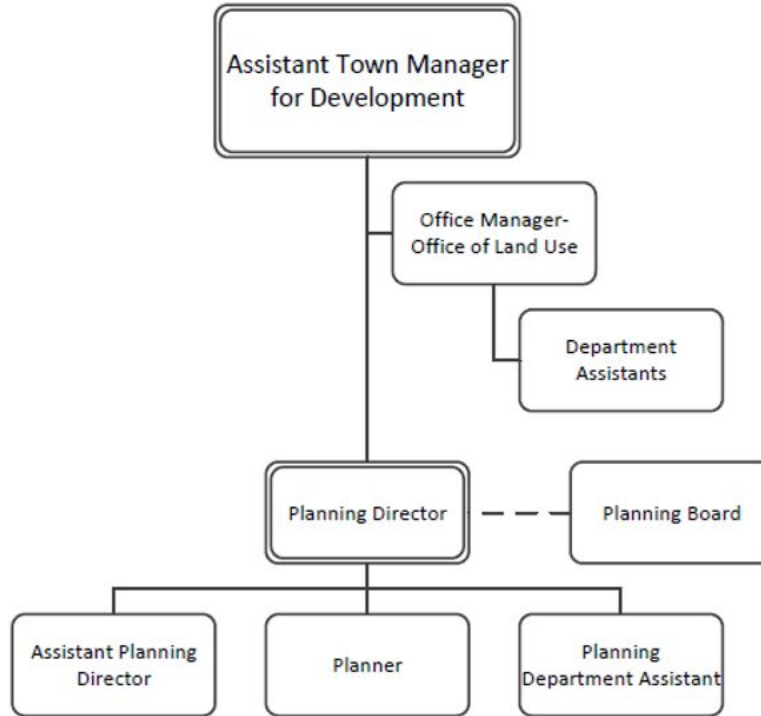
Mission: The Planning Office helps residents envision and work toward a community that serves the needs of all its citizens and to manage growth and change. The Planning Office provides staff assistance to the Planning Board, helps to administer the Zoning Bylaw and reviews development permit applications 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 Comprehensive Plan (LexingtonNext) Action Plan.
2. Assemble and support the Planning Board's Annual Work Plan to ensure alignment with LexingtonNext, the Comprehensive Plan.
3. Establish an expedited, transparent, and engaging permitting process that is clear and consistent for all projects.
4. Collaboratively work with members of the Land Use, Health, and Development (LUHD) Department and other members of staff to plan and execute short and long-term planning initiatives.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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 FY2022 recommended General Fund Planning Department budget is \$434,992, which is an increase of \$10,578 or 2.49% from the FY2021 budget.

The General Fund operating budget for Compensation is \$357,642 and reflects a \$10,578 or 3.05% increase from the FY2021 budget, due to contractually obligated step increases and cost of living adjustments.

The recommended budget for Expenses is \$77,350 and is level-funded from FY2021.

Program Improvement Requests:

None requested.

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 231,412	\$ 268,858	\$ 404,414	\$ 414,992	\$ 10,578	2.62%
Directed Funding						
Fees	\$ 35,500	\$ 54,163	\$ 20,000	\$ 20,000	\$ —	—%
Total 7200 Planning	\$ 266,912	\$ 323,020	\$ 424,414	\$ 434,992	\$ 10,578	2.49%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 227,341	\$ 291,624	\$ 347,064	\$ 357,642	\$ 10,578	3.05%
Expenses	\$ 39,571	\$ 31,396	\$ 77,350	\$ 77,350	\$ —	—%
Total 7200 Planning	\$ 266,912	\$ 323,020	\$ 424,414	\$ 434,992	\$ 10,578	2.49%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 226,362	\$ 291,017	\$ 339,521	\$ 349,848	\$ 10,327	3.04%
Overtime	\$ 980	\$ 608	\$ 7,543	\$ 7,794	\$ 251	3.33%
<i>Personal Services</i>	<i>\$ 227,341</i>	<i>\$ 291,624</i>	<i>\$ 347,064</i>	<i>\$ 357,642</i>	<i>\$ 10,578</i>	<i>3.05%</i>
Contractual Services	\$ 37,858	\$ 29,643	\$ 72,850	\$ 72,850	\$ —	—%
Utilities	\$ —	\$ 322	\$ —	\$ —	\$ —	—%
Supplies	\$ 1,712	\$ 1,431	\$ 4,500	\$ 4,500	\$ —	—%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	<i>\$ 39,571</i>	<i>\$ 31,396</i>	<i>\$ 77,350</i>	<i>\$ 77,350</i>	<i>\$ —</i>	<i>—%</i>
Total 7200 Planning	\$ 266,912	\$ 323,020	\$ 424,414	\$ 434,992	\$ 10,578	2.49%

7300 Economic Development

Mission: The Economic Development Office works to encourage new investment and support 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. Staff will determine the level of operations in 2021 based on conditions as they evolve.

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 were hampered due to the pandemic.

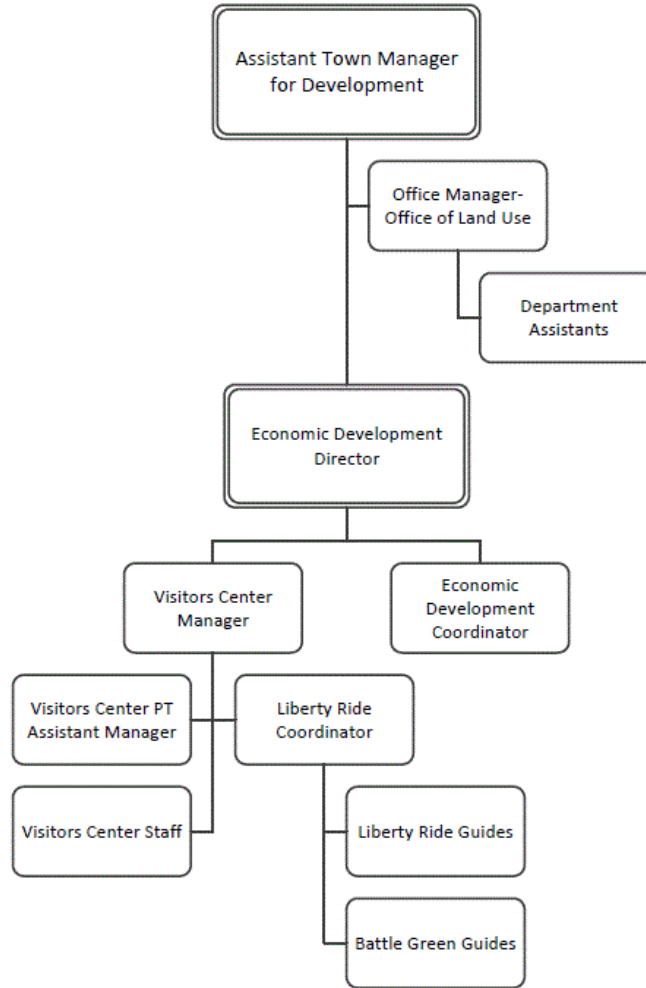
Division Initiatives: Economic Development Office

1. Support the next steps associated with the Hartwell Zoning Initiative
2. Prioritize and implement recommendations from the Center Retail Strategy Plan and the Tourism Marketing Plan

Tourism/Visitor Activities

1. Expand programs & retail operations in the newly constructed 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

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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	0.70	0.70	0.70
Liberty Ride Guides	Seasonal	Seasonal	Seasonal	Seasonal
Total FTE	9.01	9.01	9.01	9.01
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 FY2022 recommended All Funds Economic Development budget, inclusive of the General Fund operating budget and the Liberty Ride and Visitors Center Revolving Funds, is \$848,681, which is a \$12,099 or 1.45% increase from the FY2021 budget.

The FY2022 recommended General Fund Economic Development operating budget is \$408,657, which is a \$11,374 or 2.86% increase from the FY2021 General Fund budget. The recommended General Fund operating budget for Compensation is \$186,957, and reflects a \$(10,226) or (5.19)% decrease, which is a net change, and captures contractually obligated step increases and cost of living adjustments, offset by savings from staff turnover.

The recommended General Fund operating budget for Expenses is \$221,700, an increase of \$21,600 or 10.79%. This is a net-change that reflects removing one-time costs for outreach for the Hartwell Avenue Zoning Initiative (\$16,300); offset by increasing Marketing (\$6,000) and Subscriptions (\$5,000), and increasing support for the Visitors Center (\$25,000) to a total of \$94,000 as it transitions back to its permanent location and anticipates a full reopening after the pandemic.

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 FY2022 Liberty Ride Revolving Fund request is \$193,263 which is level-funded from FY2021. COVID-19 travel restrictions affected the travel and tourism industry overall; the Liberty Ride tour was suspended in Summer 2020, and is not forecast to resume operations until Summer 2021.

The recommended FY2022 Visitor Center Revolving Fund request is \$246,761 which is essentially level-funded from FY2021, and will again receive General Fund support in FY2022, as the full reopening in the new building was impacted by the effects of 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	
Part-Time Administrative Assistant	\$ 33,879	\$ 16,426	\$ 50,305	\$ —	\$ —	\$ —	\$ 50,305

7300 Economic Development

Town of Lexington, MA

Budget Summary - General Fund

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 264,940	\$ 252,708	\$ 351,283	\$ 362,657	\$ 11,374	3.24 %
TDM Stabilization Fund	\$ 46,000	\$ 46,000	\$ 46,000	\$ 46,000	\$ —	— %
Center Impr. District Stab. Fund	\$ 27,000	\$ 27,000	\$ —	\$ —	\$ —	— %
Total 7300 - General Fund	\$ 337,940	\$ 325,708	\$ 397,283	\$ 408,657	\$ 11,374	2.86 %

Appropriation Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 190,809	\$ 138,745	\$ 197,183	\$ 186,957	\$ (10,226)	-5.19 %
Expenses	\$ 147,131	\$ 186,964	\$ 200,100	\$ 221,700	\$ 21,600	10.79 %
Total 7300 - General Fund	\$ 337,940	\$ 325,708	\$ 397,283	\$ 408,657	\$ 11,374	2.86 %

Program Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
7310 Economic Development Office	\$ 337,940	\$ 325,708	\$ 397,283	\$ 408,657	\$ 11,374	2.86 %
Total 7300 - General Fund	\$ 337,940	\$ 325,708	\$ 397,283	\$ 408,657	\$ 11,374	2.86 %

Object Code Summary (General Fund)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 190,734	\$ 138,492	\$ 194,355	\$ 184,035	\$ (10,320)	-5.31 %
Overtime	\$ 75	\$ 252	\$ 2,828	\$ 2,922	\$ 94	3.32 %
<i>Personal Services</i>	<i>\$ 190,809</i>	<i>\$ 138,745</i>	<i>\$ 197,183</i>	<i>\$ 186,957</i>	<i>\$ (10,226)</i>	<i>-5.19 %</i>
Contractual Services	\$ 123,265	\$ 82,299	\$ 123,100	\$ 114,700	\$ (8,400)	-6.82 %
Utilities	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Supplies	\$ 23,867	\$ 104,665	\$ 77,000	\$ 107,000	\$ 30,000	38.96 %
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Expenses</i>	<i>\$ 147,131</i>	<i>\$ 186,964</i>	<i>\$ 200,100</i>	<i>\$ 221,700</i>	<i>\$ 21,600</i>	<i>10.79 %</i>
Total 7300 - General Fund	\$ 337,940	\$ 325,708	\$ 397,283	\$ 408,657	\$ 11,374	2.86 %

Budget Summary - Revolving Funds*

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Liberty Ride Rev. Fund	\$ 179,041	\$ 125,800	\$ 195,000	\$ 195,000	\$ —	— %
Visitors Center Rev. Fund	\$ 147,613	\$ 39,309	\$ 247,000	\$ 247,000	\$ —	— %
Total 7300 - Revolving Funds	\$ 326,654	\$ 165,109	\$ 442,000	\$ 442,000	\$ —	— %

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

Appropriation Summary (Revolving Funds)	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
7320 Liberty Ride Rev. Fund	\$182,274	\$139,510	\$ 193,263	\$ 193,263	\$ —	—%
Compensation	\$ 59,280	\$ 41,715	\$ 68,200	\$ 68,200	\$ —	— %
Expenses	\$ 122,994	\$ 97,795	\$ 125,063	\$ 125,063	\$ —	— %
7340 Visitors Center Rev. Fund	\$170,309	\$ 44,359	\$ 246,036	\$ 246,761	\$ 725	0.29%
Compensation	\$ 107,855	\$ 18,459	\$ 131,238	\$ 138,541	\$ 7,303	5.56 %
Expenses	\$ 62,454	\$ 25,899	\$ 114,798	\$ 108,220	\$ (6,578)	-5.73 %
Total 7300 - Revolving Funds	\$ 352,583	\$ 183,869	\$ 439,299	\$ 440,024	\$ 725	0.17 %

Budget Summary - All Funds

Appropriations Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 357,944	\$ 198,919	\$ 396,621	\$ 393,698	\$ (2,923)	-0.74 %
Expenses	\$ 332,579	\$ 310,658	\$ 439,961	\$ 454,983	\$ 15,022	3.41 %
Total 7300 - All Funds	\$ 690,523	\$ 509,577	\$ 836,582	\$ 848,681	\$ 12,099	1.45 %

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Section X: Program 8000: General Government

This section includes detailed information about the FY2022 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.

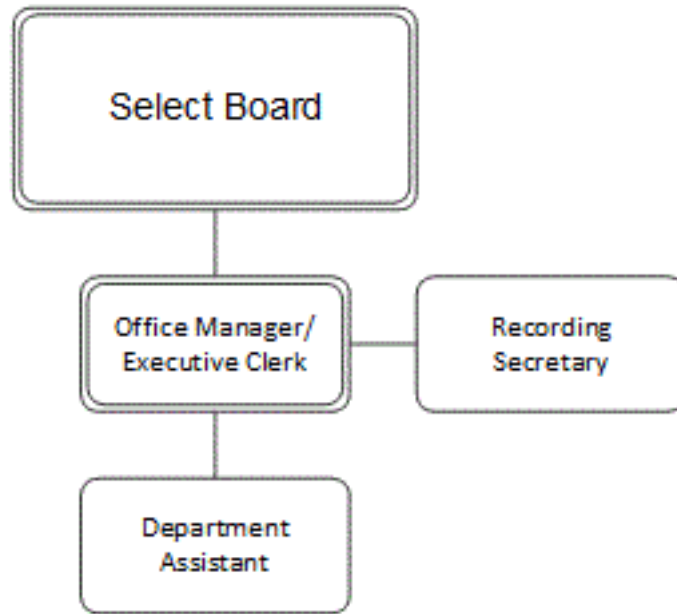
Town Counsel represents the Town, through the Select Board and Town Manager, on all legal matters including litigation, contracts, drafting of Town bylaws and enforcement of bylaws through the Court system.

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



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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

*FTE change in FY2020 reflects a more realistic depiction of hours needed to support the Select Board.

Budget Recommendations:

The FY2022 recommended General Fund operating budget for the Select Board is \$1,259,808, which is a \$(35,068) or (2.71)% decrease from the FY2021 General Fund budget.

The Compensation budget is \$135,782, which is a \$6,583 or 5.10% increase, which reflects step increases and cost of living adjustments.

The overall Expenses operating budget is \$1,124,026, which is a net decrease of \$(41,651) or (3.57)%. Decreases in the Legal and PEG Access budgets are offset by a contractual increase for the annual audit (\$2,000).

The recommended FY2022 budget for legal expenses is decreasing by (\$15,000) or (3.66%) from FY2021 to a total of \$395,000. The recommended FY2022 budget for the annual Town Report is unchanged from FY2021 at \$13,688.

The FY2022 recommended budget for the Town's annual contract with LexMedia for broadcasting public meetings and events is \$602,500 which is a \$(24,651) or (3.93)% decrease from FY2021, and reflects contractual commitments to LexMedia. This budget item is fully funded from the PEG Access Special Revenue Fund.

Program Improvement Requests:

None requested.

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 437,775	\$ 376,874	\$ 598,154	\$ 588,144	\$ (10,010)	-1.67%
Transfers from Enterprise Funds to General Fund (Indirects)	\$ 1,062	\$ 1,118	\$ 1,071	\$ 664	\$ (407)	-38.00%
PEG Access Special Revenue Fund			\$ 627,151	\$ 602,500	\$ (24,651)	-3.93%
Fees						
Licenses & Permits	\$ 89,079	\$ 76,258	\$ 68,500	\$ 68,500	\$ —	—%
Total 8100 (General Fund)	\$ 1,128,817	\$ 1,068,726	\$ 1,294,876	\$ 1,259,808	\$ (35,068)	-2.71%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 101,786	\$ 118,280	\$ 129,199	\$ 135,782	\$ 6,583	5.10%
Expenses	\$ 1,027,031	\$ 950,446	\$ 1,165,677	\$ 1,124,026	\$ (41,651)	-3.57%
Total 8100 (General Fund)	\$ 1,128,817	\$ 1,068,726	\$ 1,294,876	\$ 1,259,808	\$ (35,068)	-2.71%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 8110 Select Board's Office	\$ 219,328	\$ 204,629	\$ 244,037	\$ 248,620	\$ 4,583	1.88%
Total 8120 Legal	\$ 301,214	\$ 241,617	\$ 410,000	\$ 395,000	\$ (15,000)	-3.66%
Total 8130 Town Report	\$ 11,190	\$ 11,004	\$ 13,688	\$ 13,688	\$ —	—%
Total 8140 PEG Access	\$ 597,085	\$ 611,477	\$ 627,151	\$ 602,500	\$ (24,651)	-3.93%
Total 8100 (General Fund)	\$ 1,128,817	\$ 1,068,726	\$ 1,294,876	\$ 1,259,808	\$ (35,068)	-2.71%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 101,786	\$ 118,280	\$ 129,199	\$ 135,782	\$ 6,583	5.10%
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Personal Services</i>	<i>\$ 101,786</i>	<i>\$ 118,280</i>	<i>\$ 129,199</i>	<i>\$ 135,782</i>	<i>\$ 6,583</i>	<i>5.10%</i>
Contractual Services	\$ 1,005,942	\$ 930,639	\$ 1,141,164	\$ 1,103,513	\$ (37,651)	-3.30%
Utilities	\$ —	\$ —	\$ —	\$ —	\$ —	—%
Supplies	\$ 21,090	\$ 19,807	\$ 24,513	\$ 20,513	\$ (4,000)	-16.32%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	<i>\$ 1,027,031</i>	<i>\$ 950,446</i>	<i>\$ 1,165,677</i>	<i>\$ 1,124,026</i>	<i>\$ (41,651)</i>	<i>-3.57%</i>
Total 8100 (General Fund)	\$ 1,128,817	\$ 1,068,726	\$ 1,294,876	\$ 1,259,808	\$ (35,068)	-2.71%

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 Selectmen-Town Manager Act of 1968. The Town Manager's Office is also responsible for Human Resources and benefit administration, as well as risk management.

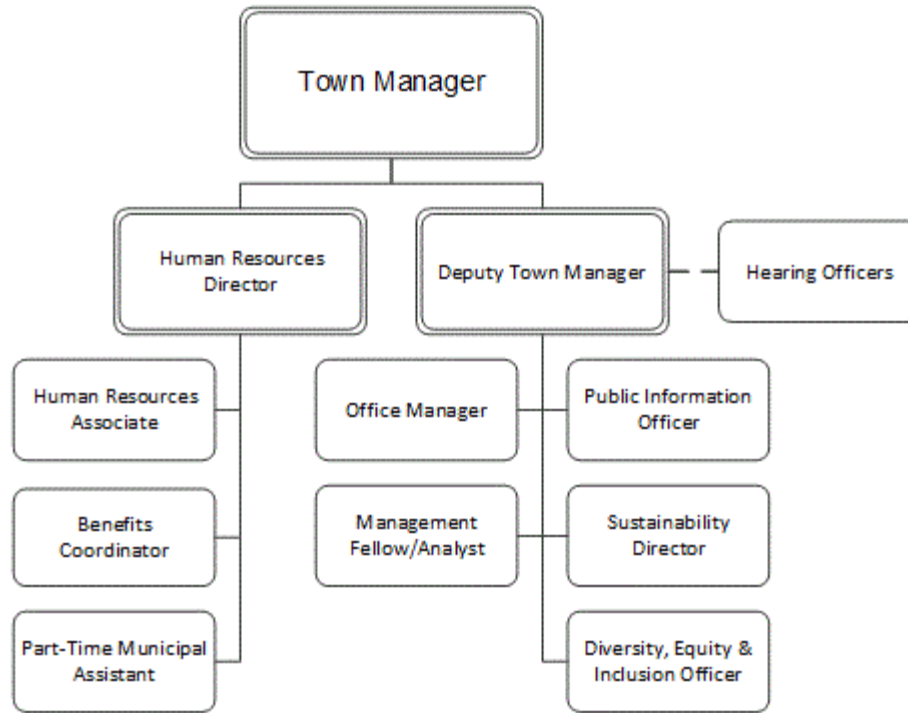
Budget Overview: The Town Manager's Office budget is comprised of two elements; Organizational Direction and Administration and Human Resources.

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 Town Manager's Office, through the Human Resource 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. Initiate implementation protocol for hate crime activities in coordination with the School department.
3. Work to support the high-performance culture in the organization by providing directed team building to the newly constituted Senior Management Team.
4. Develop new revenue sources to support the budget, particularly the capital budget, by looking at stormwater revenue and sidewalk betterments.
5. 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.
6. Continue the work on internal controls by revising existing policies and developing new policies that may be necessary to ensure the protection of assets that are vulnerable to abuse.
7. Assess the Town's existing fiscal policies, particularly the use and funding of Stabilization funds, as well as considering new strategies for funding OPEB and review of the Recreation Enterprise Fund.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 Request
Town Manager	1	1	1	1
Deputy Town Manager	1	1	1	1
Public Information Officer	1	1	1	1
Sustainability Director*	—	1	1	1
Chief Equity Officer**	—	—	—	1
Office Manager/Special Events Coordinator	1	1	1	1
Management Fellow/Analyst	1	1	1	1
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
Total FTE	8.12	9.12	9.66	10.66
Total FT/PT	8FT / 2PT	9FT / 2PT	9FT / 3PT	10FT / 3PT

*A Sustainability Director was funded in FY2020 in response to a goal established by the Select Board to coordinate sustainability initiatives and identify grant opportunities for funding those initiatives.

**A Chief Equity Officer is recommended in response to community organizing around racial justice and equity.

***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 FY2022 recommended budget inclusive of the Town Manager’s Office and Human Resources is \$1,205,674, which is a \$89,974 or 8.06% increase from the FY2021 budget.

The recommended FY2022 budget for Compensation is \$922,639, and reflects a \$76,724 or 9.07% increase, which captures step increases and cost of living increases.

The recommended FY2022 budget for Expenses is \$283,035, which reflects a increase of \$13,250 or 4.91% from FY2021, which is a net increase reflecting the addition of \$10,000 for scanning and converting electronic files into the Tyler Content Manager module, offset by by decreases to capture actual expenses in the Town Manager budget.

The department's budget includes a Salary Adjustment Account, which reflects anticipated FY2022 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. Three contracts expire at the end of FY2022 with the Lexington Police Association, the AFSCME Public Safety Dispatchers, and the Local 1703 Building Custodians.

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	
Chief Equity Officer	\$ 95,000	\$ 17,182	\$ 112,182	\$ 95,000	\$ 17,182	\$ 112,182	\$ —
Department Structure Review	\$ 100,000	\$ —	\$ 100,000	\$ 100,000	\$ —	\$ 100,000	\$ —

*Department Structure Review will be funded via Article 7 at Annual Town Meeting rather than as part of the Town Manager's budget.

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 268,560	\$ 393,690	\$ 680,232	\$ 774,096	\$ 93,864	13.80%
Enterprise Funds (Indirect)	\$ 49,724	\$ 51,406	\$ 42,193	\$ 36,728	\$ (5,465)	-12.95%
Available Funds						
Rentals*	\$ 459,765	\$ 431,498	\$ 393,275	\$ 394,850	\$ 1,575	0.40%
Total 8200 Town Manager	\$ 778,049	\$ 876,594	\$ 1,115,700	\$ 1,205,674	\$ 89,974	8.06%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 646,908	\$ 714,544	\$ 845,915	\$ 922,639	\$ 76,724	9.07%
Expenses	\$ 131,141	\$ 162,050	\$ 269,785	\$ 283,035	\$ 13,250	4.91%
Total 8200 Town Manager	\$ 778,049	\$ 876,594	\$ 1,115,700	\$ 1,205,674	\$ 89,974	8.06%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 8210 Organizational Dir. & Admin.	\$ 543,435	\$ 624,321	\$ 800,184	\$ 894,749	\$ 94,565	11.82%
Total 8220 Human Resources	\$ 234,614	\$ 252,274	\$ 315,516	\$ 310,925	\$ (4,591)	-1.46%
Total 8200 Town Manager	\$ 778,049	\$ 876,594	\$ 1,115,700	\$ 1,205,674	\$ 89,974	8.06%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 646,908	\$ 714,544	\$ 845,915	\$ 922,639	\$ 76,724	9.07%
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Personal Services</i>	<i>\$ 646,908</i>	<i>\$ 714,544</i>	<i>\$ 845,915</i>	<i>\$ 922,639</i>	<i>\$ 76,724</i>	<i>9.07%</i>
Contractual Services	\$ 108,878	\$ 143,342	\$ 228,300	\$ 244,550	\$ 16,250	7.12%
Utilities	\$ 37	\$ 168	\$ —	\$ —	\$ —	—%
Supplies	\$ 20,193	\$ 15,981	\$ 21,985	\$ 31,985	\$ 10,000	45.49%
Small Capital	\$ 2,033	\$ 2,559	\$ 19,500	\$ 6,500	\$ (13,000)	-66.67%
<i>Expenses</i>	<i>\$ 131,141</i>	<i>\$ 162,050</i>	<i>\$ 269,785</i>	<i>\$ 283,035</i>	<i>\$ 13,250</i>	<i>4.91%</i>
Total 8200 Town Manager	\$ 778,049	\$ 876,594	\$ 1,115,700	\$ 1,205,674	\$ 89,974	8.06%

*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.

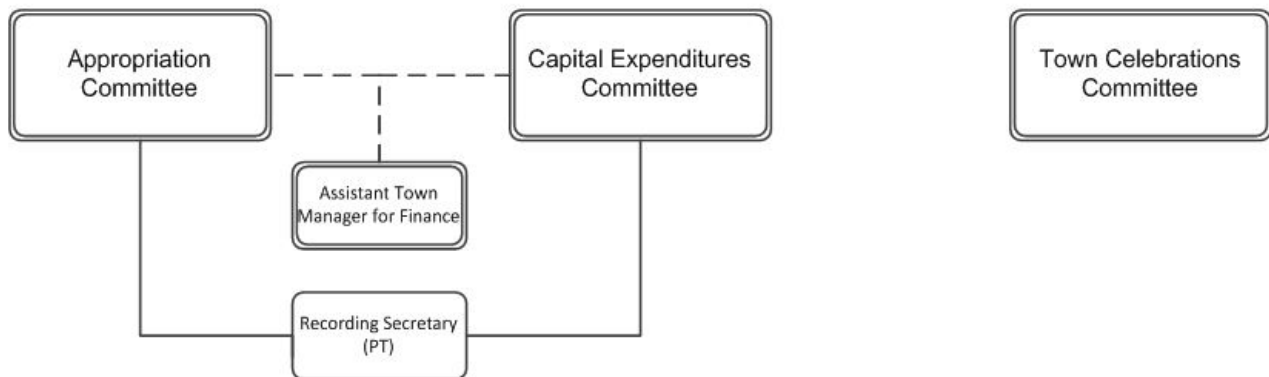
Budget Summary - Salary Adjustment (8230)

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 483,030	\$ 477,222	\$ 408,732	\$ 313,529	\$ (95,203)	-23.29%
Total 8230 Salary Adjustment	\$ 483,030	\$ 477,222	\$ 408,732	\$ 313,529	\$ (95,203)	-23.29%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 8230 Salary Adjustment	\$ 483,030	\$ 477,222	\$ 408,732	\$ 313,529	\$ (95,203)	-23.29%
Total 8230 Salary Adjustment	\$ 483,030	\$ 477,222	\$ 408,732	\$ 313,529	\$ (95,203)	-23.29%

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 FY2022 recommended Town Committees budget is \$65,233, which is an increase of \$1,133 or 1.77% from FY2021.

Compensation is level-funded. Expenses are funded at \$58,471, which is an increase of \$1,133 or 1.98%. This reflects a 2.5% increase in supplies for the Town Celebrations Committee for increasing costs for Patriots' Day.

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	
Townwide Survey - Vision for Lexington Committee (Formerly the 2020 Vision Committee)	\$ 50,000	\$ —	\$ 50,000	\$ 50,000	\$ —	\$ 50,000	\$ —

*The Townwide Survey will be funded via Article 8 at Annual Town Meeting rather than as part of the Town Committees' budget.

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 51,492	\$ 10,102	\$ 64,100	\$ 65,233	\$ 1,133	1.77 %
Total 8300 Town Committees	\$ 51,492	\$ 10,102	\$ 64,100	\$ 65,233	\$ 1,133	1.77 %

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 5,275	\$ 3,954	\$ 6,762	\$ 6,762	\$ —	— %
Expenses	\$ 46,217	\$ 6,148	\$ 57,338	\$ 58,471	\$ 1,133	1.98 %
Total 8300 Town Committees	\$ 51,492	\$ 10,102	\$ 64,100	\$ 65,233	\$ 1,133	1.77 %

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 8310 Financial Committees	\$ 5,667	\$ 4,299	\$ 8,262	\$ 8,262	\$ —	— %
Total 8320 Misc. Boards & Committees	\$ 1,877	\$ 103	\$ 10,500	\$ 10,500	\$ —	— %
Total 8330 Town Celebrations	\$ 43,948	\$ 5,700	\$ 45,338	\$ 46,471	\$ 1,133	2.50 %
Total 8300 Town Committees	\$ 51,492	\$ 10,102	\$ 64,100	\$ 65,233	\$ 1,133	1.77 %

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 5,275	\$ 3,954	\$ 6,762	\$ 6,762	\$ —	— %
Overtime	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Compensation</i>	<i>\$ 5,275</i>	<i>\$ 3,954</i>	<i>\$ 6,762</i>	<i>\$ 6,762</i>	<i>\$ —</i>	<i>— %</i>
Contractual Services	\$ 1,867	\$ 38	\$ 10,000	\$ 10,000	\$ —	— %
Utilities	\$ —	\$ —	\$ —	\$ —	\$ —	— %
Supplies	\$ 44,350	\$ 6,110	\$ 47,338	\$ 48,471	\$ 1,133	2.39 %
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	— %
<i>Expenses</i>	<i>\$ 46,217</i>	<i>\$ 6,148</i>	<i>\$ 57,338</i>	<i>\$ 58,471</i>	<i>\$ 1,133</i>	<i>1.98 %</i>
Total 8300 Town Committees	\$ 51,492	\$ 10,102	\$ 64,100	\$ 65,233	\$ 1,133	1.77 %

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 Assessing 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:

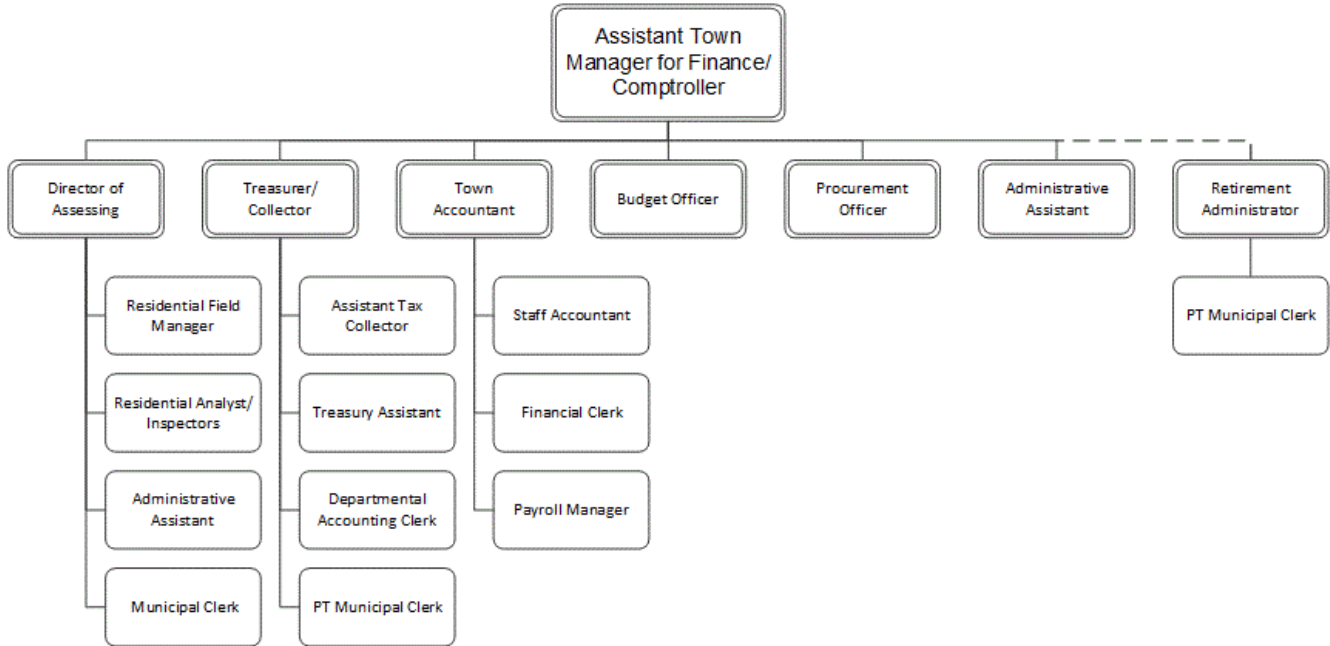
1. Implement new MUNIS modules including Employee Self Service (ESS) and Tyler Content Manager (TCM) which is an integrated document management and archiving system.
2. Continue to refine budget development. Further explore capital inventory management and planning.
3. Provide education and training for MUNIS users, particularly for the new Chart of Accounts for both Town and School departments.
4. Partner with the Treasurer/Collector to implement electronic Accounts Payable as requested by vendors to decrease the amount of printed and mailed checks.

Treasurer/Collector:

1. Explore an online portal for accepting gifts and donations for the Town's trust accounts.
2. Explore online access to individual property tax accounts.
3. Implement automated processing for supplemental tax billing and other miscellaneous receivables.

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

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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
Budget Officer	1	1	1	1
Administrative Assistant	0.40	0.40	0.40	0.40
Subtotal FTE	6.31	6.31	6.31	7.31
Subtotal FT/PT	5FT/2PT	5FT/2PT	5FT/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 Clerks	1.0	1.0	1.0	1.0
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	16.77	17.77
Total FT/PT	15FT/3 PT	15FT/3 PT	15FT/3 PT	15FT/3 PT

*In FY2022, a program improvement is recommended to hire a payroll manager.

Budget Recommendations:

The FY2022 recommended Finance Department budget is \$2,004,608, which represents a \$102,263, or 5.38% increase from the FY2021 budget.

The operating budget for Compensation is \$1,510,973, and reflects an increase of \$106,108 or 7.55%, which captures cost-of-living and step increases, as well as a program improvement to hire a payroll manager to oversee weekly management of municipal and school payroll processing.

The recommended budget for Expenses is \$493,635, and reflects a decrease of \$(3,845) or (0.77)%, primarily due to adjusting the Office Supply budget to reflect actual spending.

Program Improvement Request:

Description	Request			Recommended			Not Recommended
	Salaries and Expenses	Benefits (reflected in Shared Expenses)	Total Requested	Salaries and Expenses	Benefits (reflected in Shared Expenses)	Total	
Hire Payroll Manager	\$ 53,200	\$ 16,721	\$ 69,921	\$ 53,200	\$ 16,721	\$ 69,921	\$ —

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,576,949	\$ 1,500,102	\$ 1,703,595	\$ 1,822,694	\$ 119,099	6.99%
Enterprise Funds (Indirects)	\$ 160,224	\$ 163,526	\$ 166,750	\$ 149,914	\$ (16,836)	-10.10%
Fees & Charges						
Charges for Services	\$ 22,950	\$ 34,229	\$ 32,000	\$ 32,000	\$ —	—%
Total 8400 Finance	\$ 1,760,123	\$ 1,697,857	\$ 1,902,345	\$ 2,004,608	\$ 102,263	5.38%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,278,951	\$ 1,328,134	\$ 1,404,865	\$ 1,510,973	\$ 106,108	7.55%
Expenses	\$ 481,172	\$ 369,723	\$ 497,480	\$ 493,635	\$ (3,845)	-0.77%
Total 8400 Finance	\$ 1,760,123	\$ 1,697,857	\$ 1,902,345	\$ 2,004,608	\$ 102,263	5.38%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 8410 Comptroller	\$ 658,997	\$ 632,386	\$ 698,407	\$ 767,639	\$ 69,232	9.91%
Total 8420 Treasurer/Collector	\$ 389,391	\$ 413,231	\$ 443,695	\$ 459,243	\$ 15,548	3.50%
Total 8430 Assessing	\$ 711,735	\$ 652,240	\$ 760,243	\$ 777,726	\$ 17,483	2.30%
Total 8400 Finance	\$ 1,760,123	\$ 1,697,857	\$ 1,902,345	\$ 2,004,608	\$ 102,263	5.38%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,271,158	\$ 1,325,306	\$ 1,404,865	\$ 1,510,973	\$ 106,108	7.55%
Overtime	\$ 7,793	\$ 2,827	\$ —	\$ —	\$ —	—%
<i>Personal Services</i>	<i>\$ 1,278,951</i>	<i>\$ 1,328,134</i>	<i>\$ 1,404,865</i>	<i>\$ 1,510,973</i>	<i>\$ 106,108</i>	<i>7.55%</i>
Contractual Services	\$ 427,475	\$ 344,683	\$ 448,720	\$ 449,345	\$ 625	0.14%
Utilities	\$ 17,208	\$ (4,641)	\$ 1,950	\$ 1,950	\$ —	—%
Supplies	\$ 36,489	\$ 29,681	\$ 46,810	\$ 42,340	\$ (4,470)	-9.55%
Small Capital	\$ —	\$ —	\$ —	\$ —	\$ —	—%
<i>Expenses</i>	<i>\$ 481,172</i>	<i>\$ 369,723</i>	<i>\$ 497,480</i>	<i>\$ 493,635</i>	<i>\$ (3,845)</i>	<i>-0.77%</i>
Total 8400 Finance	\$ 1,760,123	\$ 1,697,857	\$ 1,902,345	\$ 2,004,608	\$ 102,263	5.38%

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.

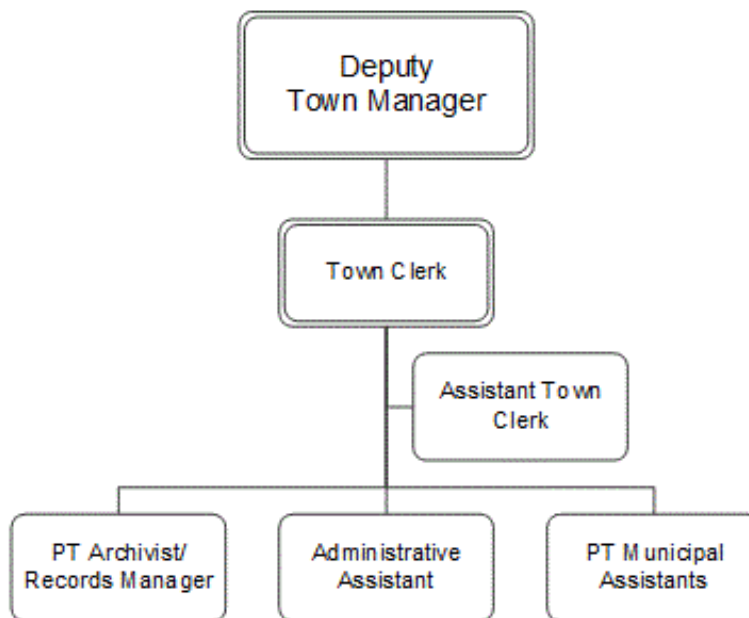
Board of Registrars: Registrars, appointed by the Select Board, are responsible for promoting voter registration, overseeing voter records and ruling on voter eligibility. Stipends for the Board of Registrars remain level-funded. Annual voter confirmations are conducted in accordance with State statute. 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. Support of any reprecincting resulting from the 2020 Census.
3. Continued development of Archives & Records Management Program, including the management of the Town's electronic documents;
4. Continued use of Laserfiche Document Imaging System for records retention, electronic access, and archives/records portal, as well as for office use.
5. Continued use of Commonwealth of Massachusetts Electronic Vital Records Systems for births, deaths and burial permits.



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 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 FY2022 recommended Town Clerk budget is \$502,431 which is a \$(88,021) or (14.91)% decrease from the FY2021 budget.

The budget for Compensation is \$404,181 and reflects a \$(36,671) or (8.32)% decrease, which is primarily driven by a lower number of elections in FY2022. The decrease in FY2022 compensation is inclusive of contractually obligated step increases and cost of living adjustments, offset by a reduced need for poll workers.

The budget for Expenses is \$98,250, which is a decrease of \$(51,350) or (34.32)%, and reflects fewer anticipated elections in FY2022.

Program Improvement Request:

None requested.

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 396,261	\$ 406,463	\$ 514,552	\$ 426,531	\$ (88,021)	-17.11%
Directed Funding						
Departmental Fees	\$ 35,562	\$ 36,361	\$ 35,900	\$ 35,900	\$ —	—%
Licenses and Permits	\$ 49,440	\$ 42,255	\$ 40,000	\$ 40,000	\$ —	—%
Total 8500 Town Clerk	\$ 481,263	\$ 485,079	\$ 590,452	\$ 502,431	\$ (88,021)	-14.91%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 388,841	\$ 391,457	\$ 440,852	\$ 404,181	\$ (36,671)	-8.32%
Expenses	\$ 92,422	\$ 93,622	\$ 149,600	\$ 98,250	\$ (51,350)	-34.32%
Total 8500 Town Clerk	\$ 481,263	\$ 485,079	\$ 590,452	\$ 502,431	\$ (88,021)	-14.91%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Total 8510 Town Clerk Admin.	\$ 317,181	\$ 332,542	\$ 342,967	\$ 351,389	\$ 8,422	2.46%
Total 8520 Board of Registrars	\$ 17,040	\$ 20,128	\$ 21,225	\$ 18,525	\$ (2,700)	-12.72%
Total 8530 Elections	\$ 111,231	\$ 92,889	\$ 174,200	\$ 79,800	\$ (94,400)	-54.19%
Total 8540 Records Management	\$ 35,813	\$ 39,519	\$ 52,060	\$ 52,717	\$ 657	1.26%
Total 8500 Town Clerk	\$ 481,263	\$ 485,079	\$ 590,452	\$ 502,431	\$ (88,021)	-14.91%

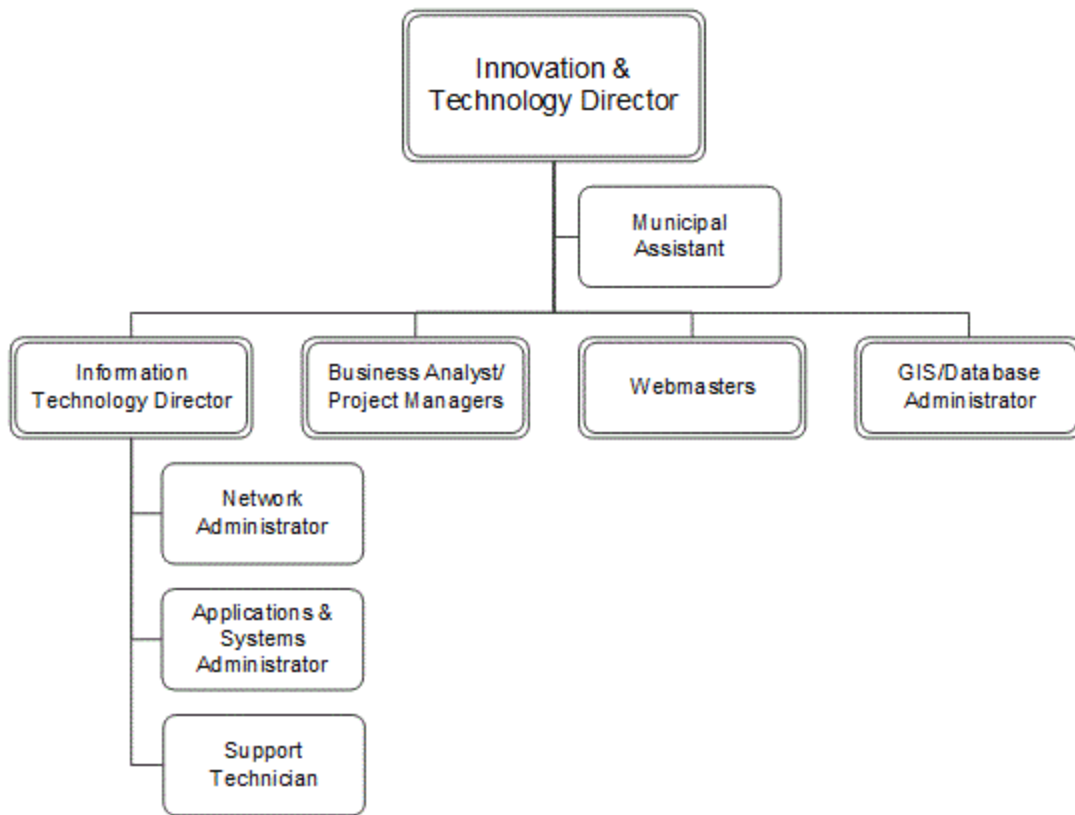
Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 378,604	\$ 373,302	\$ 422,152	\$ 395,881	\$ (26,271)	-6.22%
Overtime	\$ 10,237	\$ 18,155	\$ 18,700	\$ 8,300	\$ (10,400)	-55.61%
<i>Personal Services</i>	<i>\$ 388,841</i>	<i>\$ 391,457</i>	<i>\$ 440,852</i>	<i>\$ 404,181</i>	<i>\$ (36,671)</i>	<i>-8.32%</i>
Contractual Services	\$ 80,106	\$ 77,589	\$ 134,600	\$ 86,150	\$ (48,450)	-36.00%
Utilities	\$ 3,001	\$ 3,050	\$ 2,500	\$ 2,000	\$ (500)	-20.00%
Supplies	\$ 9,315	\$ 12,982	\$ 12,400	\$ 10,000	\$ (2,400)	-19.35%
Small Capital	\$ —	\$ —	\$ 100	\$ 100	\$ —	—%
<i>Expenses</i>	<i>\$ 92,422</i>	<i>\$ 93,622</i>	<i>\$ 149,600</i>	<i>\$ 98,250</i>	<i>\$ (51,350)</i>	<i>-34.32%</i>
Total 8500 Town Clerk	\$ 481,263	\$ 485,079	\$ 590,452	\$ 502,431	\$ (88,021)	-14.91%

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. Novatime
 - f. ProPhoenix
2. Continue to invest in the Town's information technology 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. Redesign the Town's website to provide a new look and feel along with provide better accessibility and findability
4. Focus on future visioning for Innovation & Technology
 - a. Mobile Work Initiatives
 - b. Hosting and replatforming of core systems
 - c. Unified Communications
 - d. Disaster Recovery (DR) planning and expansion of capabilities
 - e. Network redundancy planning and implementation



Authorized/Appropriated Staffing

	FY2019 Budget	FY2020 Budget	FY2021 Budget	FY2022 Request
Innovation & Technology Director*	1	1	1	1
Information Technology Director	1	1	1	1
Municipal Assistant**	—	0.43	0.43	0.43
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	2	2
Part-time Intern**	—	0.25	0.25	0.25
Total FTE	10.00	10.68	10.68	10.68
Total FT/PT	10 FT	10 FT/2 PT	10 FT/2 PT	10 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.

**A part-time Municipal Assistant and part-time Intern were funded in the FY2020 budget to support the increasing IT workload.

Budget Recommendations:

The FY2022 recommended Innovation & Technology budget is \$2,839,497, which is a \$46,780 or 1.68% increase from the FY2021 budget.

The recommended budget for Compensation is \$944,997, and reflects a \$5,880 or 0.63% increase, which reflects contractually obligated increases.

The recommended budget for Expenses is \$1,894,500 and reflects a \$40,900 or 2.21% increase. Major factors driving the increase are the growing cost of software maintenance for both existing licenses as well as new application support contracts, and an increase in the professional development/training budget. Other minor increases in expenses reflect increased adoption of mobile technology resulting in increased Mobile Device charges, and increases in Hardware Support, reflecting support of new UPSs (uninterruptible power supplies) in new buildings.

Program Improvement Requests:

None requested.

Budget Summary

Funding Sources	FY2019 Actual	FY2020 Actual	FY2021 Estimate	FY2022 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,922,441	\$ 1,792,874	\$ 2,673,193	\$ 2,750,458	\$ 77,265	2.89%
Enterprise Funds (Indirects)	\$ 123,236	\$ 142,966	\$ 119,524	\$ 89,039	\$ (30,485)	-25.51%
Total 8600 Innovation & Tech.	\$ 2,045,677	\$ 1,935,840	\$ 2,792,717	\$ 2,839,497	\$ 46,780	1.68%

Appropriation Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 836,975	\$ 860,292	\$ 939,117	\$ 944,997	\$ 5,880	0.63%
Expenses	\$ 1,208,702	\$ 1,075,548	\$ 1,853,600	\$ 1,894,500	\$ 40,900	2.21%
Total 8600 Innovation & Tech.	\$ 2,045,677	\$ 1,935,840	\$ 2,792,717	\$ 2,839,497	\$ 46,780	1.68%

Program Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
8610 IT Administration	\$ 2,045,677	\$ 1,935,840	\$ 2,792,717	\$ 2,839,497	\$ 46,780	1.68%
Total 8600 Innovation & Tech.	\$ 2,045,677	\$ 1,935,840	\$ 2,792,717	\$ 2,839,497	\$ 46,780	1.68%

Object Code Summary	FY2019 Actual	FY2020 Actual	FY2021 Appropriation	FY2022 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 833,518	\$ 855,562	\$ 934,841	\$ 940,579	\$ 5,738	0.61%
Overtime	\$ 3,457	\$ 4,729	\$ 4,276	\$ 4,418	\$ 142	3.32%
<i>Personal Services</i>	<i>\$ 836,975</i>	<i>\$ 860,292</i>	<i>\$ 939,117</i>	<i>\$ 944,997</i>	<i>\$ 5,880</i>	<i>0.63%</i>
Contractual Services	\$ 951,405	\$ 891,561	\$ 1,516,000	\$ 1,542,000	\$ 26,000	1.72%
Utilities	\$ 101,433	\$ 82,381	\$ 129,500	\$ 129,000	\$ (500)	-0.39%
Supplies	\$ 32,805	\$ (4,401)	\$ 29,100	\$ 29,500	\$ 400	1.37%
Small Capital	\$ 123,059	\$ 106,007	\$ 179,000	\$ 194,000	\$ 15,000	8.38%
<i>Expenses</i>	<i>\$ 1,208,702</i>	<i>\$ 1,075,548</i>	<i>\$ 1,853,600</i>	<i>\$ 1,894,500</i>	<i>\$ 40,900</i>	<i>2.21%</i>
Total 8600 Innovation & Tech.	\$ 2,045,677	\$ 1,935,840	\$ 2,792,717	\$ 2,839,497	\$ 46,780	1.68%

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Section XI: Capital Investment

FY2022 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 FY2022 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.

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 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. Receipts for FY2022 from the surcharge and state matching funds are preliminarily estimated at \$7.4 million, compared to \$6.8 million in FY2021, and reflect an estimated State match of 30%.

FY2022 CAPITAL FINANCING STRATEGY

The proposed financing plan for the recommended FY2022 capital budget is shown in the table below.

Capital Requests Summary					
	Free Cash/ Tax Levy	Other Funding Sources	Debt	Total	Other*
General Fund	\$ 7,766,391	\$ —	\$ 5,411,475	\$ 13,177,866	\$ —
Excluded Debt Projects	\$ —	\$ —	\$ 25,651,792	\$ 25,651,792	\$ —
Other Funding & Chapter 90	\$ —	\$ 730,100	\$ —	\$ 730,100	\$ 977,917
Water Enterprise	\$ —	\$ 920,000	\$ 710,000	\$ 1,630,000	\$ —
Sewer Enterprise	\$ —	\$ 310,000	\$ 1,320,000	\$ 1,630,000	\$ —
Recreation Enterprise	\$ —	\$ 87,000	\$ —	\$ 87,000	\$ —
Community Preservation Act	\$ —	\$ 585,000	\$ —	\$ 585,000	\$ —
Total (all Funds)	\$ 7,766,391	\$ 2,632,100	\$ 33,093,267	\$ 43,491,758	\$ 977,917

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

The following table, FY2022 Recommended Capital Budget, lists all FY2022 projects recommended by the Select Board for consideration and their estimated costs by program area and funding source. The Capital Expenditures Committee has also been evaluating these requests and will issue a report and recommendations to Town Meeting.

FY2022 Recommended Capital Budget

Department	Project Description	Recommendation	Requested Funding Source(s)	ATM Article
<i>Planning/Engineering</i>	Transportation Mitigation	\$ 20,889	TNC Spec. Revenue Fund	12
Total Land Use, Health and Development		\$ 20,889		
<i>Fire</i>	Self-Contained Breathing Apparatus Replacement	\$ 416,545	Free Cash	12
Total Public Safety		\$ 416,545		
<i>Recreation & Comm. Pgms.</i>	Pine Meadows Improvements	\$ 25,000	Recreation RE	11
<i>Recreation & Comm. Pgms.</i>	Pine Meadows Equipment	\$ 62,000	Recreation RE	11
<i>Recreation & Comm. Pgms.</i>	Park and Playground Improvements	\$ 170,000	CPA	10
<i>Recreation & Comm. Pgms.</i>	Park Improvements - Athletic Fields	\$ 155,000	CPA	10
<i>Recreation & Comm. Pgms.</i>	Community Center Mansion Sidewalk & Patio	\$ 110,000	CPA	10
Total Culture and Recreation		\$ 522,000		
<i>Public Facilities</i>	Public Facilities Bid Documents	\$ 100,000	Free Cash	16
<i>Public Facilities</i>	Building Flooring	\$ 125,000	Free Cash	16
<i>Public Facilities</i>	School Paving and Sidewalks	\$ 125,000	Free Cash	16
<i>Public Facilities</i>	Mechanical/Electrical Systems Replacements	\$ 728,000	GF Debt	16
<i>Public Facilities</i>	Municipal Building Envelopes and Associated Systems	\$ 214,186	Tax Levy	16
<i>Public Facilities</i>	Townwide Roofing	\$ 528,000	GF Debt	16
<i>Public Facilities</i>	School Building Envelopes and Associated Systems	\$ 245,199	Free Cash	16
<i>Public Facilities</i>	Playground Enhancements - Pour-in-Place Surfaces	\$ 150,000	CPA	10
<i>Public Facilities</i>	Lexington Police Station Rebuild	\$ 25,651,792	Exempt Debt	N/A
<i>Public Facilities</i>	LHS Feasibility Study	\$ 1,825,000	GF Debt	24
<i>Public Facilities</i>	Center Recreation Complex Bathrooms & Maintenance Building Renovation	\$ 915,000	GF Debt	16
<i>Public Facilities</i>	Space Needs for School Year 2021-22	\$ 300,000	Free Cash	16
Total Public Facilities Department		\$ 30,907,177		
<i>Public Works</i>	Townwide Culvert Replacement	\$ 390,000	Free Cash	12
<i>Public Works</i>	Equipment Replacement	\$ 1,420,000	Water-Sewer RE/Free Cash/ Prior Bond Auth./BAN Premiums	12
<i>Public Works</i>	Sidewalk Improvements	\$ 800,000	GF Debt/Free Cash	12
<i>Public Works</i>	Storm Drainage Improvements and NPDES Compliance	\$ 385,000	Free Cash	12
<i>Public Works</i>	Comprehensive Watershed Stormwater Management	\$ 390,000	Free Cash	12
<i>Public Works</i>	Street Improvements	\$ 2,651,674	Tax Levy	12
<i>Public Works</i>	Pump Station Upgrades	\$ 520,000	Wastewater Debt	14
<i>Public Works</i>	Sanitary Sewer System Investigation and Improvements	\$ 1,000,000	Wastewater Debt/User Charges	14
<i>Public Works</i>	Water Distribution System Improvements	\$ 1,110,000	Water Debt/User Charges	13
<i>Public Works</i>	Hydrant Replacement Program	\$ 150,000	Water RE/Free Cash	12
<i>Public Works</i>	Public Parking Lot Improvement Program	\$ 100,000	Parking Fund	12
<i>Public Works</i>	New Sidewalk Installations	\$ 650,000	GF Debt	12
<i>Public Works</i>	Staging for Special Events	\$ 65,000	Free Cash	12
<i>Public Works</i>	Water Tower(s) replacement	\$ 300,000	Water RE	13
<i>Public Works</i>	Parking System Replacement	\$ 343,237	Parking Fund	12
Total Public Works Department		\$ 10,274,911		
<i>Lexington Public Schools</i>	LPS Technology Program	\$ 1,186,236	Free Cash	15
Total Lexington Public Schools		\$ 1,186,236		
<i>Innovation & Technology</i>	Cary Library Network	\$ 95,000	Free Cash	12
<i>Town Manager</i>	Electric Vehicle Charging Stations	\$ 69,000	Free Cash	12
Total General Government		\$ 164,000		
Total FY2022 Recommendations - All Funds		\$ 43,491,758		

CAPITAL PLAN BY FINANCING SOURCE

The following pages include tables that show the recommended FY2022 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.

FY2022 RECOMMENDED PROJECTS - GENERAL FUND DEBT (Table I)

TABLE I: FY2022 RECOMMENDED PROJECTS - GENERAL FUND DEBT					PROJECTED DEBT SERVICE					
		Amount Financed	Term	Interest Rate	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
MUNICIPAL PROJECTS										
1	Sidewalk Improvements (\$800,000)	\$ 765,475	10	4%		\$ 20,413	\$ 107,167	\$ 104,105	\$ 101,043	\$ 97,981
2	New Sidewalk Installations	\$ 650,000	10	4%		\$ 17,333	\$ 91,000	\$ 88,400	\$ 85,800	\$ 83,200
Subtotal		\$ 1,415,475				\$ 37,746	\$ 198,167	\$ 192,505	\$ 186,843	\$ 181,181
FACILITIES PROJECTS										
1	Mechanical/Electrical Systems Replacements	\$ 728,000	5	4%		\$ 19,413	\$ 174,720	\$ 168,896	\$ 163,072	\$ 157,248
2	Townwide Roofing	\$ 528,000	10	4%		\$ 14,080	\$ 73,920	\$ 71,808	\$ 69,696	\$ 67,584
3	Center Recreation Complex Bathrooms & Maintenance Building Renovation	\$ 915,000	10	4%		\$ 24,400	\$ 128,100	\$ 124,440	\$ 120,780	\$ 117,120
Subtotal		\$ 2,171,000				\$ 57,893	\$ 376,740	\$ 365,144	\$ 353,548	\$ 341,952
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		\$5,411,475				\$ 95,639	\$ 647,907	\$ 995,649	\$ 963,791	\$ 931,933
AUTHORIZED LEVY SUPPORTED DEBT SERVICE					FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
A	Approved and Issued					\$ 7,059,697	\$ 5,066,218	\$ 4,077,208	\$ 2,798,058	1,673,532
B	Paydown of Land Purchases- 173 Bedford St. & 20 Pelham Rd.					\$ 2,320,274	\$ —	\$ —	\$ —	\$ —
C	Projected Approved and Unissued					\$ 921,502	\$ 4,646,111	\$ 4,507,803	\$ 4,369,495	\$ 4,231,188
D	Total Debt Service on Authorized Debt					\$ 10,301,473	\$ 9,712,329	\$ 8,585,011	\$ 7,167,553	\$ 5,904,720
E	Projected New Levy Supported Debt Service (above)					\$ 95,639	\$ 647,907	\$ 995,649	\$ 963,791	\$ 931,933
F	TOTAL - PROJECTED LEVY SUPPORTED DEBT SERVICE					\$10,371,583	\$10,397,112	\$10,360,236	\$ 9,580,660	\$ 8,131,344
G	Plus: Projected Debt Service on Future Capital Projects						\$ 147,746	\$ 1,374,034	\$ 2,624,700	\$ 3,900,963
H	Less: Debt Service Funded from Special Revenue Accounts					\$ (246,680)	\$ (51,933)	\$ (116,728)	\$ (108,478)	\$ (100,603)
I	Less: Revenue Set Aside for Paydown of Land Purchases (above)					\$ (2,403,450)	\$ (2,320,274)	\$ —	\$ —	\$ —
J	Less: Proposed Use of Stabilization Fund					\$ —	\$ —	\$ (1,965,000)	\$ (1,999,000)	\$ (1,365,000)
K	Total Offsets to Projected Levy Supported Debt Service (H+I+J)					\$ (2,650,130)	\$ (2,372,207)	\$ (2,081,728)	\$ (2,107,478)	\$ (1,465,603)
L	PROJECTED NET LEVY SUPPORTED DEBT SERVICE (F+G+K)					\$ 7,721,453	\$ 8,024,905	\$ 8,426,254	\$ 8,847,216	\$ 9,290,441

Municipal Projects

- Sidewalk Improvements - \$800,000 (\$765,475 General Fund Debt & \$34,525 Free Cash):** 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:
 - Is the sidewalk unsafe for travel due to trip hazards, defects, etc.
 - Is the sidewalk within the Safe Routes to School Program
 - 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 FY2022 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)
- Reconstruction of Ramps, Townwide
- 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

The following table presents the recent history of Sidewalk appropriations:

FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
\$ 400,000	\$ 600,000	\$ 600,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000

2. **New Sidewalk Installations - \$650,000 (General Fund Debt):** This request will fund construction of new sidewalks on Lincoln Street from Marrett Road to Middle Street. Additional locations have been requested for future years, and may warrant having further discussions with policy makers on cost-sharing with property owners through betterment assessments.

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. As the final report was received late in the budget development process, and staff is still evaluating the results, recommendations from the report have not been fully incorporated into this budget. We expect that over the next year, staff will utilize this report to further update and prioritize the long-term capital plan in a way that is financially feasible and best protects the Town's capital assets.

1. **Mechanical/Electrical Systems Replacements - \$728,000 (General Fund Debt):** 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.
2. **Townwide Roofing - \$528,000 (General Fund Debt):** This FY2022 request is to repair/replace portions of the roof of Cary Memorial Hall and the Town Office Building to prevent water infiltration. Once the roof issues have been addressed, work will progress to the fascias and soffits, funded in the building envelope request.

3. **Center Recreation Complex Bathrooms & Maintenance Building Renovation - \$915,000 (General Fund Debt):** 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.

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, pre-fabricated 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 SOI submitted to the MSBA in 2019 was not selected to move forward. In February 2020, the School Committee again submitted an SOI to the MSBA and expect to hear if the LHS project is selected in the Spring of 2021.

FY2022 RECOMMENDED PROJECTS - WATER FUND DEBT (Table II)

TABLE II: FY2022 RECOMMENDED PROJECTS - WATER DEBT										
	Project	Amount Financed	Term	Interest Rate	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
1	Water Distribution System Improvements (\$1,110,000)	\$710,000	10	4%		\$ 18,933	\$ 99,400	\$ 96,560	\$ 93,720	\$ 90,880
TOTAL PROJECT COSTS		\$710,000				\$ 18,933	\$ 99,400	\$ 96,560	\$ 93,720	\$ 90,880
AUTHORIZED WATER DEBT SERVICE					FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
A	Subtotal: Authorized and Issued					\$ 1,096,161	\$ 912,421	\$ 755,385	\$ 602,118	\$ 578,456
B	Subtotal: Approved and Unissued (short and long-term)					\$ 64,700	\$ 716,400	\$ 699,460	\$ 682,520	\$ 665,580
C	Total: Debt Service on Authorized Debt					\$1,160,861	\$1,628,821	\$1,454,845	\$1,284,638	\$1,244,036
D	Subtotal: Projected Debt Service on Proposed Capital Projects					\$ 18,933	\$ 99,400	\$ 96,560	\$ 93,720	\$ 90,880
E	TOTAL PROJECTED WATER DEBT SERVICE					\$1,192,910	\$1,179,794	\$1,728,221	\$1,551,405	\$1,378,358

- Water Distribution System Improvements - \$1,110,000 (\$710,000 Water Debt, \$400,000 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 Ave, a significant portion of Hartwell Ave and Eldred Street. Additionally a sustaining valve was installed on Grove Street to ensure proper pressures are maintained. Water main replacements are currently under construction on Peacock Farm Road and White Pine Lane, and are anticipated in the Parker Road neighborhood, Vine Street, Hayden Avenue, and Marshall Road. 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 is gradually shifting to Water user charges, with an 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.

FY2022 RECOMMENDED PROJECTS - WASTEWATER FUND DEBT (Table III)

TABLE III: FY2022 RECOMMENDED PROJECTS - WASTEWATER DEBT										
	Project	Amount Financed	Term	Interest Rate	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
1	Pump Station Upgrades	\$520,000	10	4%		\$ 13,867	\$ 72,800	\$ 70,720	\$ 68,640	\$ 66,560
2	Sanitary Sewer System Investigation and Improvements (\$1,000,000)	\$800,000	10	4%		\$ 21,333	\$ 112,000	\$ 108,800	\$ 105,600	\$ 102,400
TOTAL PROJECT COSTS		\$1,320,000				\$ 35,200	\$ 184,800	\$ 179,520	\$ 174,240	\$ 168,960
AUTHORIZED SEWER DEBT SERVICE					FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
A	Subtotal: Authorized and Issued Debt					\$ 1,350,389	\$ 1,180,823	\$ 929,070	\$ 854,074	\$ 768,437
B	Subtotal: Approved and Unissued Debt (short and long-term)					\$ 78,924	\$ 675,968	\$ 660,183	\$ 644,398	\$ 628,614
C	Total: Debt Service on Authorized Debt					\$1,429,313	\$1,856,791	\$1,589,253	\$1,498,472	\$1,397,051
D	Subtotal: Projected Debt Service on Proposed Capital Projects					\$ 35,200	\$ 184,800	\$ 179,520	\$ 174,240	\$ 168,960
E	TOTAL PROJECTED SEWER DEBT SERVICE					\$1,337,205	\$1,464,513	\$2,041,591	\$1,672,712	\$1,566,011

- 1. Pump Station Upgrades - \$520,000 (Wastewater Debt):** This is an ongoing program to upgrade Lexington’s ten sewer pumping stations. A 2013 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 is underway for construction at the Hayden Ave and North Street pump stations. The goal of this program is to upgrade all of the pumps and support systems to enable better energy efficiency and avoid emergency expenditures.
- 2. Sanitary Sewer System Investigation and Improvements - \$1,000,000 (\$800,000 Wastewater Debt, \$200,000 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 is gradually shifting to Wastewater user charges, with an ultimate goal of transitioning the entire program to cash funding over 10 years. While rate payers may pay slightly higher wastewater rates in the short-term, significant debt service savings will be realized, resulting in lower overall costs in the long-term.

FY2022 RECOMMENDED PROJECTS - RECREATION FUND DEBT (Table IV)

TABLE IV: FY2022 RECOMMENDED PROJECTS - RECREATION and COMMUNITY PROGRAMS DEBT										
Project	Amount Financed	Term	Interest Rate	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
1 None Proposed	\$ —	---	---		\$ —	\$ —	\$ —	\$ —	\$ —	
TOTAL PROJECT COSTS	\$ —				\$ —	\$ —	\$ —	\$ —	\$ —	
AUTHORIZED RECREATION REVENUE DEBT SERVICE				FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
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.

FY2022 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2½ DEBT EXCLUSION (Table V)

TABLE V: FY2022 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2½ DEBT EXCLUSION										
Project	Amount Financed	Term	Interest Rate	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
<i>Excluded debt projects expected for consideration at a future Town Meeting</i>										
Lexington Police Station Reconstruction	\$ 25,544,742	30	—		\$ —	\$ 1,021,790	\$ 1,873,281	\$ 1,839,221	\$ 1,805,162	
Total Project Cost	\$ 25,544,742				\$ —	\$ 1,021,790	\$ 1,873,281	\$ 1,839,221	\$ 1,805,162	
APPROVED AND PROPOSED EXCLUDED DEBT SERVICE				FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
Subtotal: Approved and Issued Debt					\$ 16,747,436	\$ 16,012,685	\$ 14,023,382	\$ 13,629,861	\$ 13,229,441	
Subtotal: Approved and Unissued Debt					\$ 58,817	\$ 388,596	\$ 378,922	\$ 369,248	\$ 359,573	
Total: Approved Excluded Debt Service					\$ 16,806,253	\$ 16,401,281	\$ 14,402,304	\$ 13,999,109	\$ 13,589,014	
Subtotal: Subtotal - Projected Exempt Debt Service (above)					\$ —	\$ 1,021,790	\$ 1,873,281	\$ 1,839,221	\$ 1,805,162	
Total Approved and Proposed Excluded Debt Service					\$17,284,829	\$16,806,253	\$17,423,071	\$16,275,585	\$15,838,330	
Less: use of Capital Stabilization Fund to Mitigate Debt Service Impacts on Property Tax Bills					\$ (4,600,000)	\$ (2,800,000)	\$ (1,700,000)	\$ —	\$ —	
Net Excluded Debt Service					\$12,684,829	\$14,006,253	\$15,723,071	\$16,275,585	\$15,838,330	

- 1. Lexington Police Station Reconstruction - \$25,544,742 (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 has been postponed to allow the community to engage in conversations regarding race, social justice and the future of policing. This project is expected to come forward at a future Town meeting, potentially in FY2022 with a debt exclusion vote to follow.

FY2022 RECOMMENDED PROJECTS - Community Preservation Act Debt (Table VI)

TABLE VI: FY2022 RECOMMENDED PROJECTS - COMMUNITY PRESERVATION ACT DEBT										
	Project	Amount Financed	Term	Interest Rate	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
1	None Proposed	\$ —	---	---		\$ —	\$ —	\$ —	\$ —	\$ —
TOTAL PROJECT COSTS		\$ —				\$ —	\$ —	\$ —	\$ —	\$ —
AUTHORIZED CPA REVENUE DEBT SERVICE					FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
A	Subtotal: Approved and Issued Debt					\$ 1,949,550	\$ 1,866,600	\$ 1,788,900	\$ 681,200	\$ —
B	Subtotal: Approved and Unissued Debt					\$ 1,040,000	\$ —	\$ —	\$ —	\$ —
C	Total: Approved Debt Service					\$ 2,989,550	\$ 1,866,600	\$ 1,788,900	\$ 681,200	\$ —
D	Subtotal: Projected Debt Service on Proposed Capital Projects					\$ —	\$ —	\$ —	\$ —	\$ —
E	TOTAL PROJECTED DEBT SERVICE					\$ 3,923,961	\$ 2,989,550	\$ 1,866,600	\$ 681,200	\$ —

No recommendations for debt financing.

At Special Town Meeting 2020-3, Town Meeting approved the purchase of conservation land at 39 Highland Avenue. The land purchase was funded by a combination of cash and debt which allowed the Community Preservation Committee (CPC) to maintain its target level of cash reserves. For FY2022, the number and dollar value of applications for Community Preservation Funds was less than in prior years, and therefore the CPA fund has more cash on hand than originally expected. At the 2021 Annual Town Meeting, the CPC is recommending to modify the funding sources for the 39 Highland Avenue land acquisition to be fully paid with cash, and accordingly rescind the borrowing authorization. If that motion passes, the \$1,040,000 in debt service noted on line B in the table above will no longer be needed, and the debt service budget can be reduced by that amount.

FY2022 RECOMMENDED PROJECTS - Compost Revolving Fund (Table VII)

TABLE VII: FY2022 RECOMMENDED PROJECTS - Compost Revolving Fund										
	Project	Amount Financed	Term	Interest Rate	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
1	None Proposed	\$ —	---	---		\$ —	\$ —	\$ —	\$ —	\$ —
TOTAL PROJECT COSTS		\$ —				\$ —	\$ —	\$ —	\$ —	\$ —
AUTHORIZED REVENUE SUPPORTED DEBT SERVICE					FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
A	Subtotal: Approved and Issued Debt					\$ 157,501	\$ 157,031	\$ 126,186	\$ 121,466	\$ 116,746
B	Subtotal: Approved and Unissued Debt					\$ 5,500	\$ 66,000	\$ 63,800	\$ 61,600	\$ 59,400
C	Total: Approved Revenue Supported Debt Service					\$ 163,001	\$ 223,031	\$ 189,986	\$ 183,066	\$ 176,146
D	Subtotal: Projected Debt Service on Proposed Capital Projects					\$ —	\$ —	\$ —	\$ —	\$ —
E	TOTAL PROJECTED DEBT SERVICE					\$ 205,557	\$ 163,001	\$ 223,031	\$ 183,066	\$ 176,146

No recommendations for debt financing.

FY2022 RECOMMENDED PROJECTS - CASH CAPITAL (Table VIII)

TABLE VIII: FY2022 RECOMMENDED FUNDING FROM REVENUES (Cash by Source)											
Project	Free Cash	Tax Levy	Water Retained Earnings	Sewer Retained Earnings	Recr. Retained Earnings	Enterprise Operating Funds	CPA*	Other Funds**	Total Cost	Other ***	
SCHOOL PROJECTS											
1	LPS Technology Program	\$1,186,236						\$ —	\$1,186,236	\$ —	
	SUBTOTAL	\$1,186,236	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$1,186,236	\$ —	
FACILITIES											
2	Public Facilities Bid Documents	\$ 100,000						\$ —	\$ 100,000		
3	Building Flooring	\$ 125,000						\$ —	\$ 125,000		
4	School Paving and Sidewalks	\$ 125,000						\$ —	\$ 125,000		
5	Municipal Building Envelopes and Associated Systems		\$ 214,186					\$ —	\$ 214,186		
6	School Building Envelopes and Associated Systems	\$ 245,199						\$ —	\$ 245,199		
7	Playground Enhancements - Pour-in-Place Surfaces						\$150,000	\$ —	\$ 150,000		
8	Space Needs for School Year 2021-22	\$ 300,000						\$ —	\$ 300,000		
	SUBTOTAL	\$ 895,199	\$ 214,186	\$ —	\$ —	\$ —	\$150,000	\$ —	\$1,259,385	\$ —	
MUNICIPAL PROJECTS											
9	Transportation Mitigation							\$ 20,889	\$ 20,889		
10	Self-Contained Breathing Apparatus Replacement	\$ 416,545						\$ —	\$ 416,545		
11	Pine Meadows Improvements				\$ 25,000			\$ —	\$ 25,000		
12	Pine Meadows Equipment				\$ 62,000			\$ —	\$ 62,000		
13	Park and Playground Improvements						\$170,000	\$ —	\$ 170,000		
14	Park Improvements - Athletic Fields						\$155,000	\$ —	\$ 155,000		
15	Community Center Mansion Sidewalk & Patio						\$110,000	\$ —	\$ 110,000		
16	Townwide Culvert Replacement	\$ 390,000						\$ —	\$ 390,000		
17	Equipment Replacement	\$ 899,026		\$145,000	\$110,000			\$265,974	\$1,420,000		
18	Sidewalk Improvements	\$ 34,525						\$ —	\$ 34,525		
19	Storm Drainage Improvements and NPDES Compliance	\$ 385,000						\$ —	\$ 385,000		
20	Comprehensive Watershed Stormwater Management	\$ 390,000						\$ —	\$ 390,000		
21	Street Improvements****		\$2,651,674					\$ —	\$2,651,674	\$977,917	
22	Sanitary Sewer System Investigation and Improvements					\$ 200,000		\$ —	\$ 200,000		
23	Water Distribution System Improvements					\$ 400,000		\$ —	\$ 400,000		
24	Hydrant Replacement Program	\$ 75,000		\$ 75,000				\$ —	\$ 150,000		
25	Public Parking Lot Improvement Program							\$100,000	\$ 100,000		
26	Staging for Special Events	\$ 65,000						\$ —	\$ 65,000		
27	Water Tower(s) replacement			\$300,000				\$ —	\$ 300,000		
28	Parking System Replacement							\$343,237	\$ 343,237		
29	Cary Library Network	\$ 95,000						\$ —	\$ 95,000		
30	Electric Vehicle Charging Stations	\$ 69,000						\$ —	\$ 69,000		
	SUBTOTAL	\$2,819,096	\$2,651,674	\$520,000	\$110,000	\$ 87,000	\$ 600,000	\$435,000	\$730,100	\$7,952,870	\$977,917
	TOTAL	\$4,900,531	\$2,865,860	\$520,000	\$110,000	\$ 87,000	\$ 600,000	\$585,000	\$730,100	\$10,398,499	\$977,917

* CPA totals do not include proposed FY2022 administrative budget of \$150,000 and \$2,989,550 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 \$977,917 in Chapter 90 Aid for street improvements.

**** Proposed funding for the annual street resurfacing program is comprised of \$2,651,674 of tax levy dollars and an anticipated distribution of \$977,917 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

1. **LPS Technology Program - \$1,186,236 (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 FY2022 would provide funding for the following:

Tech Workstations - \$172,150 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 are being replaced from FY2020 funds, thus, no replacements are budgeted for this cycle as they will all be replaced. (150 laptops @ \$1100 each, 10 printers @ \$440 each, and 10 monitors @ \$275 each)

PreK-5 Mobile Devices - \$124,540 to replace 260 Kindergarten iPads across all district Kindergarten classes due to current devices having reached their end of life. (260 iPads @ \$479.00 each)

1:1 Middle School Program - \$226,250 to purchase 625 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. (625 Chromebooks @ \$362 each)

1:1 at Lexington High School - \$189,720 to purchase 680 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). (680 Chromebooks @ \$279 each)

Science/Technology/Engineering/(Art)/Math (STEM/STEAM)/Computer Science - \$42,400 to update district computer labs at either the Middle School/High School level and purchase STEM/STEAM based curricular materials. (\$36,400 for one lab, \$6,000 for STEM/STEAM Materials)

Interactive Projectors/Whiteboard Units and Document Cameras - \$239,176 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 Bowman Elementary School, 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 @ \$4,620 each, 28 document cameras @ \$622 each)

District and Building Network Infrastructure - \$172,000 to replace end of life Wireless Access Points (WAPs), switches and Power over Ethernet (POE) districtwide. (70 WAPs @ \$1,300 each, 3 POE switches @ \$7,000, HS Network equipment and fiber patch \$60,000)

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 of 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 - \$125,000 (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 FY2022 request will be used for projects informed by the new 20-year Master Plan, and may include areas at the Lexington high school, Clarke middle school, East Lexington fire station and the Town Office Building. In FY2021, hallway floors at Harrington Elementary School were replaced and a project to update flooring in a Public Services Building hallway and the cafeteria is planned. The goal of this annual program is to ensure failing floor surfaces are replaced and are safe for all users.
4. **School Paving and Sidewalks - \$125,000 (Free Cash):** This capital request provides 'as needed' replacement of sidewalks, bus loops and parking areas on school grounds. The FY2022 request will specifically fund sidewalk panel replacements and parking and roadway improvements at the Bridge and Bowman Elementary Schools which are currently in poor condition. 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.
5. **Municipal Building Envelopes and Associated Systems - \$214,186 (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 FY2022 request seeks funding for repairs to fascia and soffits on the Cary Memorial Building and Town Office Building, which will begin once roof repairs are complete.
6. **School Building Envelopes and Associated Systems - \$245,199 (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 FY2022 request will be used to address repairs of water and air infiltration issues of the gaskets, caulking, doors and windows at the Lexington High School.
7. **Playground Enhancements - Pour-in-Place Surfaces - \$150,000 (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 Harrington school playground surface is proposed during the summer of 2021, with the remaining schools to follow in subsequent years.
8. **Space Needs for School Year 2021-22 - \$300,000 (Free Cash):** A new Intensive Learning Program will begin at Diamond in the 2021-22 school year, requiring dedicated space. In this case, a large storage room will be converted to three offices/learning spaces over the summer months, which is expected to cost \$300,000.

Municipal Projects

9. **Transportation Mitigation - \$20,889.20 (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 FY2022 funds include purchase and installation of pedestrian-activated beacons at crosswalk locations still under consideration, purchase and installation of speed feedback signs, 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.
10. **Self-Contained Breathing Apparatus Replacement - \$416,545 (Free Cash):** Firefighters use self-contained breathing apparatus (SCBA) when working in areas that have atmosphere that is immediately dangerous to life and health (IDLH), including almost all fires, hazardous material spills, and confined spaces. This equipment is mandatory life-safety equipment for all firefighters through OSHA, NFPA and NIOSH, and was originally purchased through a FEMA grant in 2011, and is nearing the end of its useful life. Repairs have become more frequent and expensive, and the potential for equipment failure in an IDLH situation has grown. The Fire department will seek additional grant funding for this replacement, in which case excess funds will be returned.
11. **Pine Meadows Improvements - \$25,000 (Recreation Retained Earnings):** This request will fund the design and engineering for a drainage improvement project on the 1st and 2nd fairways at the Pine Meadows Golf Course, which is scheduled to be completed in FY2025. The design and engineering work will ensure that an accurate cost estimate will inform the request for the construction phase in FY2025.
12. **Pine Meadows Equipment - \$62,000 (Recreation Retained Earnings):** This request will purchase a new fairway mower to replace existing equipment acquired in 2012. The life expectancy of a fairway mower is 10 years. The new equipment will ensure proper maintenance of the turf, improved pace of play, and superior playing conditions.
13. **Park and Playground Improvements - \$170,000 (CPA):** This request will update and replace playground equipment, safety surfacing and various other amenities at a neighborhood park on South Rindge Avenue. The proposed improvements will renovate and rehabilitate existing safety surfacing and equipment so that the site will be in compliance with the Consumer Product Safety Commission (CPSC), the American Society for Testing and Materials (ASTM) and the American with Disabilities Act (ADA). Additionally, at the recommendation of the ADA Compliance Study that was completed in 2017, the walkway leading to the playground will be renovated to meet minimum width regulations and have a running slope of less than 5%, and an accessible path leading to the Arlington Reservoir Trail and a connection to the basketball courts will also be installed.
14. **Park Improvements - Athletic Fields - \$155,000 (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 FY2022 funds will be used for such improvements to the Muzzey Field. Based on recommendations from a 2017 ADA Compliance Study, two accessible paths, one on each side of the field, will also be installed. If approved, renovations will begin in the Fall of 2021.

15. **Community Center Mansion Sidewalk & Patio - \$110,000 (CPA):** This request will replace a cracked, uneven and inaccessible bluestone sidewalk and patio along the mansion side of the Community Center with surfaces made of stamped concrete. When the building was renovated in 2015, the walkway was identified as a future project.
16. **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. Work is near completion on the Culvert Asset Management Plan after detailed inspections were performed on all of the known town-owned culverts. This program is a companion effort with the ongoing Watershed Management Plan. Final design, permitting and gathering easements are underway for culverts at Constitution Road and Valleyfield. Geotechnical investigations are underway along with culvert design for the Waltham Street culvert at Clematis Brook. Construction is anticipated to begin in Summer 2021.
17. **Equipment Replacement - \$1,420,000 (\$899,026 Free Cash, \$145,000 Water Retained Earnings, \$110,000 Sewer Retained Earnings, \$155,974 Prior Bond Authorizations & \$110,000 BAN Premiums):** 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 FY2022 request, by funding source, is shown in the table below.

Equipment	Other Funds	Free Cash	Sewer RE	Water RE	Total
6 Wheel Hook Loader with Wing Plow	\$ 265,974	\$ 54,026			\$ 320,000
Front End Loader with Plow	\$ —	\$ 225,000			\$ 225,000
Rubber Tired Mini Excavator			\$ 95,000	\$ 95,000	\$ 190,000
Trackless Sidewalk Machine with Snowblower		\$ 165,000			\$ 165,000
F450 Utility body with Plow		\$ 115,000			\$ 115,000
60 kW Generator with 4" Pump			\$ 15,000	\$ 50,000	\$ 65,000
Toro 4700 Mower		\$ 125,000			\$ 125,000
Small Dump Truck with Snow Plow		\$ 110,000			\$ 110,000
Small Dump Truck with Snow Plow		\$ 105,000			\$ 105,000
Total	\$ 265,974	\$899,026	\$110,000	\$145,000	\$1,420,000

18. **Sidewalk Improvements (\$800,000) - \$800,000 (\$765,475 General Fund Debt & \$34,525 Free Cash):** See detailed description under Table I - General Fund Debt.
19. **Storm Drainage Improvements and NPDES Compliance - \$385,000 (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 \$115,000 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 Locust Avenue neighborhood as well as Munroe Road. 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.
20. **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. Design work is in progress in the Valleyfield area, which will be a phased project. A thorough evaluation has been completed in the Oxbow Constitution area with design now in progress, with easement discussions and permitting commencing 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.
21. **Street Improvements - \$3,629,591 (\$2,651,674 Tax Levy, \$977,917 Chapter 90 funding):** This is an annual request for the street resurfacing and maintenance program. In addition to the \$2,651,674 appropriated from the tax levy, \$977,917 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

	FY2022
2001 Override Increased by 2.5% per year	\$ 723,719
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	\$ 977,917
	Total \$ 3,629,591
	Without Chapter 90 \$ 2,651,674

22. **Sanitary Sewer System Investigation and Improvements - \$1,000,000 (\$800,000 Wastewater Debt, \$200,000 Wastewater User Charges):** See detailed description under Table III: Wastewater Fund Debt.

23. **Water Distribution System Improvements - \$1,110,000 (\$710,000 Water Debt/MWRA Loan, \$400,000 Water User Charges):** See detailed description under Table II: Water Fund Debt.

24. **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 42 hydrants were replaced in FY2020.

25. **Public Parking Lot Improvement Program - \$100,000 (Parking Fund):** 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 (CVS lot), and the lot between Waltham Street and Muzzey Street (Michelson lot). 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.

26. **Staging for Special Events - \$65,000 (Free Cash):** This request is to purchase two staging units for use at Town special events, including Patriots' Day. The Town currently owns one staging unit, supplemented by wagon trailers borrowed from Waltham. The borrowed trailers are subject to availability, difficult to move, and unstable, requiring manual reinforcements to ensure safety. New staging would allow for access by persons with disabilities, provide a more stable seating/viewing area, and be more readily available for a wide range of town events and programs.

27. **Water Tower(s) replacement - \$300,000 (Water Retained Earnings):** The Town of Lexington owns two water tanks located on Morgan Hill. The smaller tank is a bolted steel tank with a volume of 1 Million Gallons (MG) and was constructed in 1933. The larger tank is a bolted steel tank with a volume of 2.24 MG and was constructed in 1950. This funding request will be used to design the replacement of the water tank(s), which are nearing or have reached the end of their 75-year useful life. Tank replacement is likely within the next 5 years.

28. **Parking System Replacement - \$343,237 (Parking Fund):** The Town's current parking meters run on a 3G network which is going obsolete, and needs to be upgraded to 4G. Given the cost, there has been some discussion about potentially changing parking systems, including transitioning from individual meters to a more modern kiosk or pay-by-phone system, and converting the Depot Lot from one overseen by an attendant to parking kiosks. The project is time-sensitive in that the 3G network will not be able to accept credit card payments at some point in 2021-22, and the Center Streetscape is being bid this Spring, and any change to the individual meters or other infrastructure will impact that work. In addition to the funds requested here, an additional \$106,763 is available from an FY2017 authorization, for a total project cost of \$450,000.
29. **Cary Library Network - \$95,000 (Free Cash):** The Library is requesting integration of its network infrastructure hardware into the Town's infrastructure, including migration to the Town's network support and service contracts. Library equipment, including WiFi access points, network switches and cabling, will be upgraded to Town network standards, and the Library network traffic will be managed by existing Town infrastructure, thus maximizing the Town IT infrastructure investments and providing increased network capability and management to the Library.
30. **Electric Vehicle Charging Stations - \$69,000 (Free Cash):** This request is for the purchase and installation of two or more electric vehicle charging stations to primarily be used for municipal vehicles. In order to meet the Select Board's goal for fleet electrification and net-zero emissions, it is essential to develop the necessary charging infrastructure to expand electric vehicles within the fleet.

Table IX: Deferred FY2022 and Proposed FY2023-FY2026 Capital Requests

Ongoing Capital Programs - General Fund							
Dept.	Project Name	Deferred FY2022	FY2023	FY2024	FY2025	FY2026	Total
<i>Innovation & Technology</i>							
	Application Implementation	\$ —	\$ 290,000	\$ 200,000	\$ 100,000	\$ 100,000	\$ 690,000
	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	\$ —	\$ 330,000	\$ 220,000	\$ 110,000	\$ 110,000	\$ 770,000
	Phone Systems & Unified Communications	\$ —	\$ 100,000	\$ 90,000	\$ 80,000	\$ 60,000	\$ 330,000
		\$ —	\$ 900,000	\$ 800,000	\$ 390,000	\$ 630,000	\$ 2,720,000
<i>Land Use, Health and Development</i>							
	Transportation Mitigation	\$ —	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
		\$ —	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
<i>Public Facilities</i>							
	Public Facilities Bid Documents	\$ —	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
	Building Flooring	\$ —	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 500,000
	School Paving and Sidewalks	\$ —	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 500,000
	Mechanical/Electrical Systems Replacements	\$ —	\$ 788,500	\$ 850,000	\$ 920,000	\$ 990,000	\$ 3,548,500
	Municipal Building Envelopes and Associated Systems	\$ —	\$ 219,540	\$ 225,029	\$ 230,655	\$ 236,421	\$ 911,645
	Townwide Roofing	\$ —	\$ 658,000	\$ 182,000	\$ 990,000	\$ 6,642,000	\$ 8,472,000
	School Building Envelopes and Associated Systems	\$ —	\$ 251,400	\$ 257,684	\$ 264,127	\$ 270,730	\$ 1,043,941
		\$ —	\$ 2,267,440	\$ 1,864,713	\$ 2,754,782	\$ 8,489,151	\$ 15,376,086
<i>Public Works</i>							
*	Townwide Culvert Replacement	\$ —	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000	\$ 1,560,000
	Equipment Replacement	\$ —	\$ 1,490,000	\$ 1,585,000	\$ 1,410,000	\$ 1,415,000	\$ 5,900,000
	Sidewalk Improvements	\$ —	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 3,200,000
	Townwide Signalization Improvements	\$ —	\$ 125,000	\$ 50,000	\$ 55,000	\$ —	\$ 230,000
*	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	\$ —	\$ 2,669,767	\$ 2,688,312	\$ 2,707,321	\$ 2,726,806	\$ 10,792,206
	Hydrant Replacement Program	\$ —	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
	<i>*Potential future funding from Stormwater Management Fee</i>	\$ —	\$ 6,509,767	\$ 6,548,312	\$ 6,397,321	\$ 6,366,806	\$ 25,822,206
<i>Schools</i>							
	LPS Technology Program	\$ —	\$ 1,363,981	\$ 1,434,200	\$ 1,344,221	\$ 1,509,586	\$ 5,651,988
		\$ —	\$ 1,363,981	\$ 1,434,200	\$ 1,344,221	\$ 1,509,586	\$ 5,651,988
	Total Capital Programs - General Fund	\$ —	\$ 11,141,188	\$ 10,747,225	\$ 10,986,324	\$ 17,095,543	\$ 49,970,280
Ongoing Capital Programs - Enterprise Funds							
Dept.	Project Name	Deferred FY2022	FY2023	FY2024	FY2025	FY2026	Total
<i>Public Works</i>							
	Pump Station Upgrades	\$ —	\$ 50,000	\$ —	\$ —	\$ —	\$ 50,000
	Sanitary Sewer System Investigation and Improvements	\$ —	\$ 1,020,000	\$ 1,040,404	\$ 1,061,210	\$ 1,082,431	\$ 4,204,045
	Water Distribution System Improvements	\$ —	\$ 2,200,000	\$ 2,244,000	\$ 2,288,900	\$ 2,334,670	\$ 9,067,570
	Hydrant Replacement Program	\$ —	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
	Water Tower(s) replacement	\$ —	\$ —	\$ 6,270,000	\$ —	\$ —	\$ 6,270,000
		\$ —	\$ 3,345,000	\$ 9,629,404	\$ 3,425,110	\$ 3,492,101	\$ 19,891,615
<i>Recreation & Community Programs</i>							
	Pine Meadows Improvements	\$ —	\$ 65,000	\$ —	\$ 100,000	\$ —	\$ 165,000
	Pine Meadows Equipment	\$ —	\$ —	\$ 95,000	\$ —	\$ 75,000	\$ 170,000
		\$ —	\$ 65,000	\$ 95,000	\$ 100,000	\$ 75,000	\$ 335,000
	Total Capital Programs - Enterprise Funds	\$ —	\$ 3,410,000	\$ 9,724,404	\$ 3,525,110	\$ 3,567,101	\$ 20,226,615

Table IX: Deferred FY2022 and Proposed FY2023-FY2026 Capital Requests

Ongoing and One-time Capital Projects - CPA Fund							
Dept.	Project Name	Deferred FY2022	FY2023	FY2024	FY2025	FY2026	Total
Land Use, Health and Development	Willard's Woods Site Improvements	\$ —	\$ 597,114	\$ —	\$ —	\$ —	\$ 597,114
	West Farm Meadow Preservation	\$ —	\$ 22,425	\$ —	\$ —	\$ —	\$ 22,425
Public Facilities	Playground Enhancements - Pour-in-Place Surfaces	\$ —	\$ 380,000	\$ 190,000	\$ —	\$ —	\$ 570,000
Public Works	Public Grounds Irrigation Improvements	\$ —	\$ —	\$ 80,000	\$ —	\$ —	\$ 80,000
Recreation & Community Programs	Park and Playground Improvements	\$ —	\$ 125,000	\$ 95,000	\$ 750,000	\$ 750,000	\$ 1,720,000
	Park Improvements - Athletic Fields	\$ —	\$ 210,000	\$ 220,000	\$ 480,000	\$ —	\$ 910,000
	Park Improvements - Hard Court Resurfacing	\$ —	\$ 1,950,000	\$ —	\$ —	\$ —	\$ 1,950,000
	Cricket Field Construction	\$ —	\$ —	\$ —	\$ —	\$ 200,000	\$ 200,000
	Lincoln Park Field Improvements	\$ —	\$ —	\$ —	\$ 425,000	\$ 442,000	\$ 867,000
Town Clerk	Archives & Records Management	\$ —	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000
Total Capital Projects - CPA Funds		\$ —	\$ 3,304,539	\$ 605,000	\$ 1,675,000	\$ 1,412,000	\$ 6,996,539
One-Time Capital Projects - General Fund							
Dept.	Project Name	Deferred FY2022	FY2023	FY2024	FY2025	FY2026	Total
Fire	Replace 2004 Pumper	\$ —	\$ 625,000	\$ —	\$ —	\$ —	\$ 625,000
	Ambulance Replacement	\$ —	\$ —	\$ 335,000	\$ —	\$ —	\$ 335,000
Police	Public Safety Training Facility	\$ —	\$ —	TBD	\$ —	TBD	\$ —
Land Use, Health and Development	South Lexington Traffic Mitigation Plan	\$ —	\$ 115,000	\$ —	\$ —	\$ —	\$ 115,000
	LHS Feasibility Study	\$ —	\$ —	\$ —	TBD	\$ —	\$ —
Public Facilities	LHS Science Classroom Space Mining	\$ —	\$ 200,000	\$ —	\$ —	\$ —	\$ 200,000
	Cary Library Children's Room Renovation Project	\$ —	\$ 150,000	\$ 4,950,000	\$ —	\$ —	\$ 5,100,000
Public Works	Battle Green Streetscape Improvements	\$ —	\$ 3,000,000	\$ —	\$ —	\$ —	\$ 3,000,000
	Hartwell Ave. Compost Site Improvements	\$ —	\$ —	\$ —	\$ 200,000	\$ —	\$ 200,000
	Municipal Parking Lot Improvements	\$ —	\$ —	\$ 40,000	\$ 480,000	\$ —	\$ 520,000
	Public Parking Lot Improvement Program	\$ —	\$ —	\$ 500,000	\$ 500,000	\$ —	\$ 1,000,000
	New Sidewalk Installations	\$ —	\$ 940,000	\$ —	\$ 3,250,000	\$ —	\$ 4,190,000
	Bedford and Hartwell Ave. Long-Range Transportation Improvements	\$ —	\$ —	\$ 1,580,000	\$ —	\$ —	\$ 1,580,000
	Public Grounds Irrigation Improvements	\$ —	\$ —	\$ 120,000	\$ —	\$ —	\$ 120,000
Cemetery Columbarium	\$ —	\$ —	\$ 413,250	\$ —	\$ —	\$ 413,250	
Recreation & Community Programs	Pine Meadows Clubhouse Renovation	\$ —	\$ —	\$ 110,000	\$ —	\$ 1,435,000	\$ 1,545,000
	Lincoln Park Field Improvements	\$ —	\$ —	\$ —	\$ 775,000	\$ 806,000	\$ 1,581,000
	Town Pool Water Heater Replacement	\$ —	\$ 26,000	\$ —	\$ —	\$ —	\$ 26,000
		\$ —	\$ 5,056,000	\$ 8,048,250	\$ 5,205,000	\$ 2,241,000	\$ 20,550,250
Capital Project Parking Lot - Not Likely to be Funded							
Dept.	Project Name	Original Request					
Land Use	Parking Lot Consolidation and Repaving	\$1,605,000					
Recreation & Community Programs	Community Center Campus Expansion	\$29,700,000					
		\$31,305,000					

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Appendix A: Program Improvement Request Summary





Appendix A: Program Improvement Requests

Shared and Municipal Programs 2000 - 8000
FY2022 Recommended Budget: Program Improvements

Program Improvement Request Summary

Program	Department Requests	Recommended	Not Recommended
General Fund			
Public Facilities	\$ —	\$ —	\$ —
Public Works	\$ 29,500	\$ 29,500	\$ —
Police	\$ 116,042	\$ 9,950	\$ 106,092
Fire	\$ —	\$ —	\$ —
Library	\$ —	\$ —	\$ —
Human Services	\$ —	\$ —	\$ —
Land Use, Health and Development	\$ 50,305	\$ —	\$ 50,305
Select Board	\$ —	\$ —	\$ —
Town Manager's Office	\$ 212,182	\$ 212,182	\$ —
Miscellaneous Boards and Committees	\$ 50,000	\$ 50,000	\$ —
Finance	\$ 69,921	\$ 69,921	\$ —
Town Clerk	\$ —	\$ —	\$ —
Innovation & Technology	\$ —	\$ —	\$ —
Total General Fund Requests	\$ 527,950	\$ 371,553	\$ 156,397

Non-General Fund

Water/Sewer Enterprise	\$ —	\$ —	\$ —
Recreation Enterprise	\$ —	\$ —	\$ —
Total Non-General Fund	\$ —	\$ —	\$ —

Combined Requests Total	\$ 527,950	\$ 371,553	\$ 156,397
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GENERAL FUND Program Description		Departmental Request				Recommendation	
		Compensation	Expenses	Benefits	Total	Recommended	Not Recommended
Public Works							
3300 - Public Grounds	Bike Amenity Maintenance	\$ —	\$ 10,000	\$ —	\$ 10,000	\$ 10,000	\$ —
3200 - Highway	People GIS Snow Ops Software	\$ —	\$ 19,500	\$ —	\$ 19,500	\$ 19,500	\$ —
Total Public Works		\$ —	\$ 29,500	\$ —	\$ 29,500	\$ 29,500	\$ —
Police							
4110 - Police Administration	Executive Development Program	\$ —	\$ 9,950	\$ —	\$ 9,950	\$ 9,950	\$ —
4120 - Patrol & Enforcement	Patrol Officer - Traffic Enforcement	\$ 88,854	\$ —	\$ 17,238	\$ 106,092	\$ —	\$ 106,092
Total Police		\$ 88,854	\$ 9,950	\$ 17,238	\$ 116,042	\$ 9,950	\$ 106,092
Land Use, Health & Development							
7300 - Economic Development	Part-Time Administrative Assistant	\$ 32,879	\$ 1,000	\$ 16,426	\$ 50,305	\$ —	\$ 50,305
Total Land Use, Health & Development		\$ 32,879	\$ 1,000	\$ 16,426	\$ 50,305	\$ —	\$ 50,305
Town Manager							
8210 - Org. Dir. & Admin.	Chief Equity Officer	\$ 85,000	\$ 10,000	\$ 17,182	\$ 112,182	\$ 112,182	\$ —
8210 - Org. Dir. & Admin.	Department Structure Review		\$ 100,000		\$ 100,000	\$ 100,000	\$ —
Total Town Manager		\$ 85,000	\$ 110,000	\$ 17,182	\$ 212,182	\$ 212,182	\$ —
Town Committees							
8320 - Misc. Boards & Committees	Townwide Survey - Vision for Lexington Committee (Formerly the 2020 Vision Committee)	\$ —	\$ 50,000	\$ —	\$ 50,000	\$ 50,000	\$ —
Total Town Committees		\$ —	\$ 50,000	\$ —	\$ 50,000	\$ 50,000	\$ —
Finance							
8410 - Comptroller	Hire Payroll Manager	\$ 53,200	\$ —	\$ 16,721	\$ 69,921	\$ 69,921	\$ —
Total Finance		\$ 53,200	\$ —	\$ 16,721	\$ 69,921	\$ 69,921	\$ —
Total General Fund		\$ 259,933	\$ 200,450	\$ 67,567	\$ 527,950	\$ 371,553	\$ 156,397

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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 - FY2020 Actuals

The chart below is an extract from the FY2020 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. FY2020 actuals are provided because it is the most recent fiscal year for which data is available.

	Governmental				Fiduciary	Combined Totals Memorandum Only 2020
	General	Special Revenue	Community Preservation	Capital Projects	Expendable Trust	
Revenues:						
Property Taxes	\$ 194,795,639	\$ —	\$ 5,170,558	\$ —	\$ —	\$ 199,966,197
Intergovernmental	\$ 16,561,861	\$ 7,568,689	\$ 1,229,000	\$ 11,428,028	\$ 38,337	\$ 36,825,915
Motor Vehicle & Other Excise Tax	\$ 6,886,753	\$ —	\$ —	\$ —	\$ —	\$ 6,886,753
Departmental Fees & Charges	\$ 3,769,912	\$ 15,938,143	\$ —	\$ —	\$ 250,657	\$ 19,958,712
Investment Income	\$ 1,297,265	\$ 35,236	\$ 73,014	\$ —	\$ 1,789,518	\$ 3,195,033
Special Assessments	\$ 19,781	\$ —	\$ —	\$ —	\$ —	\$ 19,781
Payments in Lieu of Tax	\$ 666,153	\$ —	\$ —	\$ —	\$ —	\$ 666,153
Penalties & Interest	\$ 654,312	\$ —	\$ 7,100	\$ —	\$ —	\$ 661,412
Licenses & Permits	\$ 3,021,668	\$ —	\$ —	\$ —	\$ —	\$ 3,021,668
Fines & Forfeits	\$ 151,087	\$ —	\$ —	\$ —	\$ —	\$ 151,087
Total Revenues	\$ 227,824,430	\$ 23,542,068	\$ 6,479,672	\$ 11,428,028	\$ 2,078,512	\$ 271,352,710
Expenditures:						
General Government	\$ 11,180,888	\$ 1,045,823	\$ 7,309,420	\$ 5,575,673	\$ 319,695	\$ 25,431,499
Public Safety	\$ 15,947,120	\$ 2,298,619	\$ —	\$ 395,078	\$ —	\$ 18,640,817
Education	\$ 118,403,369	\$ 11,688,788	\$ —	\$ 48,203,672	\$ —	\$ 178,295,829
Public Works	\$ 7,757,450	\$ 1,051,447	\$ —	\$ 12,033,224	\$ 91,083	\$ 20,933,204
Health & Human Services	\$ 1,398,726	\$ 483,086	\$ —	\$ —	\$ 9,300	\$ 1,891,112
Culture & Recreation	\$ 3,957,618	\$ 99,520	\$ —	\$ 88,105	\$ 3,150	\$ 4,148,393
State & County Assessments	\$ 937,092	\$ 549,736	\$ —	\$ —	\$ —	\$ 1,486,828
Debt Service	\$ 26,009,189	\$ 217,303	\$ 3,059,691	\$ —	\$ —	\$ 29,286,183
Pension	\$ 6,349,923	\$ —	\$ —	\$ —	\$ —	\$ 6,349,923
Insurance	\$ 28,870,497	\$ 27,577,163	\$ —	\$ —	\$ —	\$ 56,447,660
Total Expenditures	\$ 220,811,872	\$ 45,011,485	\$ 10,369,111	\$ 66,295,752	\$ 423,228	\$ 342,911,448
Excess (Deficiency) of Rev over Exp	\$ 7,012,558	\$ (21,469,417)	\$ (3,889,439)	\$ (54,867,724)	\$ 1,655,284	\$ (71,558,738)
Other Financing Sources (Uses):						
Proceeds of Bonds/BANS	\$ —	\$ —	\$ 952,526	\$ 32,555,178	\$ —	\$ 33,507,704
Repayment of Bonds/BANS	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Transfer from Reserve for Abatements	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Transfer from other Funds	\$ 11,317,327	\$ 25,669,205	\$ 8,146,995	\$ 10,448,429	\$ 5,233,939	\$ 60,815,895
Transfer to other Funds	\$ (13,591,906)	\$ (3,864,070)	\$ (8,046,995)	\$ (753,611)	\$ (5,742,057)	\$ (31,998,639)
Total Other (Uses)	\$ (2,274,579)	\$ 21,805,135	\$ 1,052,526	\$ 42,249,996	\$ (508,118)	\$ 62,324,960
Excess (Deficiency) of Revenues Over Expenditures	\$ 4,737,979	\$ 335,718	\$ (2,836,913)	\$ (12,617,728)	\$ 1,147,166	\$ (9,233,778)
Fund Balance, Beg. of Year	\$ 36,721,905	\$ 15,812,426	\$ 10,339,176	\$ 34,738,275	\$ 56,314,381	\$ 153,926,163
Fund Balance, End of Year	\$ 41,459,885	\$ 16,148,144	\$ 7,502,263	\$ 22,120,547	\$ 57,461,547	\$ 144,692,386

Summary of Revolving Fund Balances

FY2020 Actuals (and first half of FY2021)

This chart shows beginning and ending balances for municipal Revolving Funds for FY2020 and the first half of FY2021. Beginning balances (as of July 1, 2019) 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)
	7/1/2019 Beg. Bal.	FY2020 Revenue	FY2020 Expenditures	7/1/2020 End Bal.	July-Dec 20 Revenue	July-Dec 20 Expenditures	12/31/2020 End Bal.
School Bus Transportation	\$ 489,666	\$ 846,026	\$ 870,666	\$ 465,025	\$ 640,190	\$ 1,069,804	\$ 35,411
Building Rental Revolving Fund	\$ 355,861	\$ 484,523	\$ 435,506	\$ 404,878	\$ 213,674	\$ 124,449	\$ 494,103
Regional Cache - Hartwell Ave	\$ 24,507	\$ 10,659	\$ 10,550	\$ 24,616	\$ 9,831	\$ 661	\$ 33,786
Trees	\$ 89,874	\$ 86,450	\$ 887	\$ 175,437	\$ 8,550	\$ —	\$ 183,987
Burial Containers	\$ 244,518	\$ 44,705	\$ 27,440	\$ 261,783	\$ 21,555	\$ 25,660	\$ 257,678
Compost Operations	\$ 745,092	\$ 673,846	\$ 820,573	\$ 598,365	\$ 277,576	\$ 281,697	\$ 594,244
Minuteman Household Hazardous Waste Program	\$ 33,657	\$ 153,800	\$ 128,034	\$ 59,424	\$ 64,598	\$ 132,204	\$ (8,182)
Senior Services	\$ 46,958	\$ 33,638	\$ 38,157	\$ 42,438	\$ 30,193	\$ 30,098	\$ 42,533
Health Programs	\$ 94,640	\$ 22,654	\$ 44,819	\$ 72,475	\$ 1,284	\$ 34,451	\$ 39,309
Liberty Ride	\$ 9,516	\$ 125,800	\$ 139,510	\$ (4,195)	\$ 119,391	\$ 141,711	\$ (26,515)
Visitors Center	\$ (6,660)	\$ 39,309	\$ 44,335	\$ (11,686)	\$ 37,453	\$ 73,236	\$ (47,469)

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

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Beginning Balance	\$ 8,895,689	\$ 9,056,939	\$ 9,251,859	\$ 9,447,866	\$ 9,649,865	\$ 9,800,414
Interest Earned	\$ 161,250	\$ 194,920	\$ 196,008	\$ 201,999	\$ 150,549	\$ 120,397
T.M. Appropriation	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
T.M. Withdrawal	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Ending Balance	\$ 9,056,939	\$ 9,251,859	\$ 9,447,866	\$ 9,649,865	\$ 9,800,414	\$ 9,920,811

Specialized Stabilization Funds

<i>Ending balances as of fiscal year end</i>	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Transportation Demand Management	\$ 302,092	\$ 300,766	\$ 214,309	\$ 226,906	\$ 182,762	\$ 377,177
Traffic Mitigation Stabilization Fund	\$ 88,830	\$ 147,401	\$ 146,701	\$ 321,751	\$ 357,800	\$ 645,163
Special Education Stabilization Fund	\$ 1,073,638	\$ 1,078,170	\$ 1,088,001	\$ 1,105,262	\$ 1,132,883	\$ 1,151,926
Capital Stabilization Fund	\$ 8,048,466	\$ 16,725,947	\$ 23,203,210	\$ 28,597,934	\$ 27,727,713	\$ 25,229,254
Center Improvement Stabilization Fund	\$ 86,506	\$ 86,872	\$ 87,664	\$ 61,628	\$ 35,497	\$ 10,357
TMOD Stabilization Fund	\$ 10,774	\$ 98,164	\$ 98,263	\$ 333,310	\$ 344,226	\$ 98,944
Debt Stabilization Fund	\$ 1,015,788	\$ 895,503	\$ 778,494	\$ 664,828	\$ 554,300	\$ 438,280
Visitors Center Stabilization Fund	\$ —	\$ —	\$ —	\$ 242	\$ 212,573	\$ 218,083

Dedicated Trust Funds

<i>Ending balances as of fiscal year end</i>	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Other Post Employment Benefits (OPEB)	\$ 5,798,656	\$ 7,334,848	\$ 9,869,875	\$ 12,475,463	\$ 15,773,899	\$ 18,466,182
Health Claims Trust Fund	\$ 7,559,580	\$ 5,693,188	\$ 4,540,875	\$ 3,851,400	\$ 3,178,997	\$ 2,474,692
Dental Trust Fund	\$ 222,231	\$ 223,169	\$ 225,204	\$ 228,777	\$ 234,494	\$ 238,435

Summary of Reserve Fund Transfers

FY2015-FY2020

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.

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Budgeted Amounts	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
Reserve Fund Transfers	\$ 289,620	\$ 176,800	\$ 198,115	\$ 106,000	\$ —	\$ 100,000
2400 - Public Facilities			\$ 106,000	\$ 106,000		
4200 - Fire Wages						\$ 100,000
7140 - Board of Health	\$ 11,500					
7300 - Economic Dev.	\$ 104,120					
8120 - Legal	\$ 24,000					
Capital	\$ 150,000	\$ 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	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Public Schools										
Unit A - LEA	625.4	649.0	660.9	685.6	702.2	726.3	751.8	769.9	778.1	777.3
Unit D - LEA	71.6	75.9	78.0	82.2	88.9	88.4	90.2	92.4	90.2	89.7
Unit C - IA/SSI/SIA	118.5	133.2	143.6	152.7	159.5	158.4	162.5	176.5	176.0	183.5
Other Staff	101.2	105.6	106.7	115.3	119.1	128.2	123.2	125.9	125.1	112.8
Total LPS FTEs	916.6	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
Public Facilities	73.4	80.0	80.5	80.5	81.5	84.5	84.5	86.5	89.5	89.5
Total Shared Svcs. FTEs	73.4	80.0	80.5	80.5	81.5	84.5	84.5	86.5	89.5	89.5
DPW - Admin & Engineering	13.9	13.9	14.9	14.9	14.9	15.9	15.9	15.9	15.9	15.9
DPW - Highway	19.0	19.0	19.0	19.0	18.5	18.5	18.5	18.5	18.5	18.5
DPW - Public Grounds	24.2	25.2	25.2	25.2	25.2	25.2	25.2	26.2	26.2	26.2
DPW - Environmental Svcs.	3.7	3.7	4.2	4.2	4.2	4.2	4.7	4.7	4.7	4.7
DPW - Water	10.7	10.7	10.7	10.7	10.7	10.7	11.2	11.2	11.2	11.2
DPW - Sewer	4.4	4.4	4.4	4.4	4.4	4.4	4.9	4.9	4.9	4.9
Police	71.2	72.2	72.2	74.2	73.3	73.3	74.6	74.6	75.6	75.6
Fire	59.7	63.7	63.9	63.9	63.9	63.9	65.9	65.9	65.9	65.9
Cary Library	34.5	34.5	34.5	34.5	34.5	34.2	34.5	35.2	35.5	35.5
Recreation & Comm. Pgms.	5.3	5.3	5.3	10.8	11.3	11.3	12.0	12.0	12.5	11.8
Human Services	9.5	10.0	10.0	8.7	8.9	8.9	10.2	10.4	10.6	10.6
Land Use - Bldg & Zoning	6.3	6.3	6.4	6.6	6.6	6.6	6.8	6.8	6.8	6.8
Land Use - Admin	5.0	5.0	5.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0
Land Use - Conservation	2.0	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	2.6	3.6	3.6
Land Use - Planning	3.6	3.6	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Land Use - Econ. Dev.	1.7	1.7	1.7	8.5	9.0	9.0	9.0	9.0	9.0	9.0
Select Board	1.5	1.9	1.9	1.9	2.0	2.1	2.2	2.3	2.3	2.3
Town Manager	8.1	8.1	8.1	7.1	7.1	7.1	8.1	9.1	9.7	10.7
Finance	17.5	18.5	17.3	17.7	18.0	18.0	16.8	16.8	16.8	17.8
Town Clerk	4.4	4.4	4.5	4.5	4.5	4.5	4.7	4.7	4.7	4.7
Innovation & Technology	5.0	5.0	6.0	9.8	9.8	10.0	10.0	10.7	10.7	10.7
Total Municipal FTEs	313.8	322.0	324.1	341.4	341.7	342.7	351.0	354.5	358.1	359.4
Overall Budgeted FTEs	1,303.8	1,365.7	1,393.7	1,457.6	1,492.9	1,528.6	1,563.2	1,605.8	1,616.9	1,612.2

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, 2020, and incorporated updated employment and salary information as well as new mortality assumptions. These factors contributed to an increase the System's unfunded liability and corresponding decrease in the overall percentage funded.

The FY2021 and FY2022 assessments reflect the new actuarial valuation and updated funding schedules. The Town is now on track to fully fund the Retirement System in 2028.

The following table shows information concerning the Pension Liability.

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Assessment	\$ 5,255,537	\$ 5,505,537	\$ 5,755,537	\$ 6,005,537	\$ 6,405,537	\$ 6,755,537	\$ 7,500,000
% Funded	83.7%	85.3%	87.0%	87.1%	89.1%	79.9%	81.8%
Target Date for 100% Liability Funding	2025	2024	2024	2024	2024	2028	2028

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
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	\$ —	\$ —	\$ —
2011	\$ 987,445	\$ 1,884,338	\$ (896,893)	\$ 242,840	\$ —	\$ 654,053
Total	\$11,618,598	\$14,740,431	\$ (3,121,833)	\$ 1,228,188	\$ 207,000	\$ 2,515,958
2016-2020 Average	\$ 1,263,085	\$ 1,364,796	\$ (101,711)	\$ 74,315	\$ —	\$ 113,050
2011-2020 Average	\$ 1,161,860	\$ 1,474,043	\$ (312,183)	\$ 122,819	\$ 20,700	\$ 251,596

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	Authorization ATM Article	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	Adopted FY2021 Budget	Recommended FY2022 Budget
Community Preservation Act Revenue									
Prior Year Balance (allocated and unallocated)									
Property Surcharge		\$ 4,011,213	\$ 4,224,137	\$ 4,398,551	\$ 4,649,498	\$ 4,896,101	\$ 5,105,000	\$ 5,400,000	\$ 5,700,000
State Match		\$ 1,230,116	\$ 1,229,774	\$ 897,243	\$ 789,905	\$ 922,256	\$ 1,219,950	\$ 1,380,000	\$ 1,710,000
Investment Income		\$ 41,050	\$ 26,720	\$ 30,076	\$ 53,935	\$ 182,053	\$ 20,000	\$ 20,000	\$ 20,000
Donations/Other		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues		\$ 5,282,379	\$ 5,480,632	\$ 5,325,871	\$ 5,493,338	\$ 6,000,410	\$ 6,344,950	\$ 6,800,000	\$ 7,430,000
Use of Community Preservation Funds									
Open Space Reserve Allocation									
Beginning balance		\$ 504,730	\$ 772,618	\$ 573,191	\$ 538,903	\$ 261,322	\$ 652,172	\$ 647,310	\$ 4,835
New Allocation		\$ 484,831	\$ 504,800	\$ 538,600	\$ 547,200	\$ 551,400	\$ 634,495	\$ 680,000	\$ 743,000
Close Out of Unused Project Balances		\$ 3,057	\$ -	\$ -	\$ -	\$ 220,000	\$ 1,443		
Total		\$ 992,618	\$ 1,277,418	\$ 1,111,791	\$ 1,086,103	\$ 1,032,722	\$ 1,288,110	\$ 1,327,310	\$ 747,835
Appropriations for:									
Land Acquisition - off Concord Road (Special Town Meeting, 6/14/2014)	STM 3	\$ 220,000							
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, \$1,680,000 from Undesignated Fund Balance, \$1,000,000 debt financed**	STM 2020-3 7							\$ 880,000	
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
subtotal - appropriations		\$ 220,000	\$ 704,227	\$ 572,888	\$ 824,781	\$ 380,550	\$ 640,800	\$ 1,322,475	\$ 339,250
Open Space Reserve Balance at end of fiscal year		\$ 772,618	\$ 573,191	\$ 538,903	\$ 261,322	\$ 652,172	\$ 647,310	\$ 4,835	\$ 408,585

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	Authorization		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Adopted	Recommended
	ATM	Article	Actual	Actual	Actual	Actual	Actual	Actual	FY2021	FY2022
			Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Historic Resources Reserve Allocation										
Beginning balance			\$ 200,613	\$ 122,187	\$ 79,313	\$ 612,746	\$ 447,833	\$ 52,633	\$ 129,542	\$ 38,498
New Allocation			\$ 484,831	\$ 504,800	\$ 538,600	\$ 547,200	\$ 551,400	\$ 634,495	\$ 680,000	\$ 743,000
Close Out of Unused Project Balances			\$ 4,001	\$ 13,714	\$ 49,113	\$ 42,637	\$ 38,400	\$ 2,414	\$ -	\$ -
Total			\$ 689,445	\$ 640,701	\$ 667,026	\$ 1,202,583	\$ 1,037,633	\$ 689,542	\$ 809,542	\$ 781,498
Appropriations for:										
Visitor Center - Design Phase - Total Cost is \$220,608; \$161,276 is from tax levy	2014	8(b)	\$ 59,332							
Hastings Park Gazebo Renovations	2014	8(c)	\$ 120,000							
Historical Commission Inventory Forms for Listed Buildings	2014	8(d)	\$ 35,000							
Battle Green Streetscape Improvements - Total Cost is \$90,000; \$27,000 is from tax levy	2014	8(e)	\$ 63,000							
Community Center amendment (Special Town Meeting, 6/14/2014)	STM	10	\$ 289,926							
Cary Memorial Building Sidewalk Enhancements (Special Town Meeting,	STM	4		\$ 194,200						
Parker's Revenge Site Restoration	2015	8(b)		\$ 36,790						
First Parish Church Restoration - Historic Structure Report	2015	8(c)		\$ 40,000						
Cary Memorial Building Records Center Shelving	2015	8(d)		\$ 75,398						
Battle Green Streetscape Improvements	2015	8(e)		\$ 140,000						
Community Center Sidewalk Design	2015	8(f)		\$ 50,000						
Community Center Preservation Restriction Endowment	2015	8(h)		\$ 25,000						
Munroe Center for the Arts Window Study	2016	8(b)			\$ 30,000					
Lexington Arts and Crafts Society Parson's Gallery Lighting Renovation	2016	8(c)			\$ 24,280					
Munroe School Window Restoration	2017	10(i)				\$ 675,000				
Interpretive Signage Project	2017	10(a)				\$ 38,400				
Parker's Revenge Interpretive and Public Education Project	2017	10(b)				\$ 41,350				
Community Center Sidewalk	2018	10(b)					\$ 365,000			
Archives & Records Management/Records Conservation & Preservation	2018	10(c)					\$ 20,000			
9 Oakland St. Renovation and Adaptive Re-Use	2018	10(d)					\$ 200,000			
Archives & Records Management	2020	10(a)						\$ 20,000		
Restoration of Margaret Lady of Lexington Painting	2020	10(b)						\$ 9,000		
Battle Green Master Plan Phase-3	2020	10(c)						\$ 317,044		
Community Center Mansion Sidewalk & Patio	2021	10(c)								\$ 110,000
CPA Debt Service - Marrett Road Acquisition (Authorized Art. 2, 2013 ATM)							\$ 400,000	\$ 560,000	\$ 425,000	\$ 660,500
subtotal - appropriations			\$ 567,258	\$ 561,388	\$ 54,280	\$ 754,750	\$ 985,000	\$ 560,000	\$ 771,044	\$ 770,500
Historic Resources Reserve Balance at end of fiscal year			\$ 122,187	\$ 79,313	\$ 612,746	\$ 447,833	\$ 52,633	\$ 129,542	\$ 38,498	\$ 10,998

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	Authorization		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Adopted	Recommended
	ATM	Article	Actual	Actual	Actual	Actual	Actual	Actual	FY2021	FY2022
									Budget	Budget
Community Housing Reserve Allocation										
Beginning balance			\$ 396,587	\$ 8,102	\$ 48,473	\$ 185,949	\$ 56,437	\$ 194,948	\$ 729,743	\$ 1,204,743
New Allocation			\$ 484,831	\$ 504,800	\$ 538,600	\$ 547,200	\$ 551,400	\$ 634,495	\$ 680,000	\$ 743,000
Close Out of Unused Project Balances			\$ -	\$ -	\$ 47,126	\$ -	\$ 187,111	\$ -	\$ -	\$ -
Total			\$ 881,418	\$ 512,902	\$ 634,199	\$ 733,149	\$ 794,948	\$ 829,443	\$ 1,409,743	\$ 1,947,743
Appropriations for:										
Vynebrooke Village Renovations	2014	8(f)	\$ 300,551							
LexHAB Set-Aside funds for Community Housing at Busa Property - Total cost is \$750,000; \$177,236 funded from Unbudgeted Reserve	2014	8(g)	\$ 572,764							
Property Purchase - 241 Grove Street - total acquisition costs are \$618,000; \$253,027 funded from Open Space and \$100,545 funded from Unbudgeted Reserve	2015	9		\$ 264,428						
Property Improvements - 241 Grove Street (Special Town Meeting, 12/2/2015)	STM	5	\$ 200,000							
Keeler Farm Community Housing acquisition	2016	8(e)			\$ 185,000					
Greeley Village Rear Door and Porch Preservation	2016	8(f)			\$ 263,250					
Affordable Units Preservation - Pine Grove/Judge's Road	2017	10(d)				\$ 620,000				
Greeley Village Rear Door and Porch Supplemental Request	2017	10(c)				\$ 56,712				
Lowell Street - Farmview Affordable Housing Supplemental Funds	2018	10(j)					\$ 600,000			
LexHAB Preservation Rehabilitation and Restoration of Affordable Housing	2019	14(k)						\$ 99,700		
LHA: Greeley Village Community Center Preservation	2020	10(l)							\$ 130,000	
LexHAB: 116 Vine Street Design Funds	2020	10(m)							\$ 75,000	
subtotal - appropriations			\$ 873,315	\$ 464,428	\$ 448,250	\$ 676,712	\$ 600,000	\$ 99,700	\$ 205,000	\$ -
Community Housing Reserve Balance at end of fiscal year			\$ 8,102	\$ 48,473	\$ 185,949	\$ 56,437	\$ 194,948	\$ 729,743	\$ 1,204,743	\$ 1,947,743

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	Authorization		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Adopted	Recommended
	ATM	Article	Actual	Actual	Actual	Actual	Actual	Actual	FY2021	FY2022
									Budget	Budget
Unbudgeted Reserve										
Beginning balance			NA	NA	NA	NA	NA	NA	NA	NA
New Allocation			\$ 3,827,886	\$ 3,533,600	\$ 3,710,071	\$ 3,851,738	\$ 4,346,210	\$ 4,441,465	\$ 4,760,000	\$ 5,201,000
Total			\$ 3,827,886	\$ 3,533,600	\$ 3,710,071	\$ 3,851,738	\$ 4,346,210	\$ 4,441,465	\$ 4,760,000	\$ 5,201,000
Appropriations for:										
LexHAB Set-Aside funds for Community Housing at Busa Property - Total cost is \$750,000; \$572,764 funded from Community Housing Reserve	2014	8(g)	\$ 177,236							
Lincoln Park Field Improvements - Total Cost is \$620,000; \$231,000 funded from Free Cash and \$189,000 funded from Recreation Retained Earnings	2014	8(h)	\$ 200,000							
Park and Playground Improvements	2014	8(i)	\$ 65,000							
Park Improvements - Athletic Fields	2014	8(j)	\$ 100,000							
Park Improvements - Hard Court Resurfacing	2014	8(k)	\$ 85,000							
Parker Meadow Accessible Trail D & E	2014	8(l)	\$ 34,500							
Community Center Amendment (Special Town Meeting 6/13/14)	STM	10	\$ 834,344							
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	

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	Authorization		FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	Adopted	Recommended
	ATM	Article							FY2021 Budget	FY2022 Budget
Park and Playground Improvements	2020	10(j)							\$ 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
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			\$ 1,089,774	\$ 1,065,100	\$ 1,028,100	\$ 991,100	\$ 554,100	\$ 357,100	\$ 455,100	\$ 190,000
CPA Debt Service - Cary Memorial Building Construction			\$ 67,100	\$ 899,459	\$ 889,600	\$ 869,800	\$ 838,400	\$ 812,200	\$ 786,000	\$ 759,800
CPA Debt Service - Community Center Renovation							\$ 47,166			
CPA Debt Service - Center Track and Field Reconstruction								\$ 954,945	\$ 999,580	\$ -
CPA Debt Service - Wright Farm Acquisition			\$ 434,633							
subtotal - appropriations			\$ 3,237,587	\$ 3,437,917	\$ 2,699,700	\$ 2,858,250	\$ 2,981,666	\$ 3,562,912	\$ 3,956,706	\$ 1,574,800
Close to Year-End Surplus Available for Appropriation			\$ 590,299	\$ 95,683	\$ 1,010,371	\$ 993,488	\$ 1,364,544	\$ 878,553	\$ 803,294	\$ 3,626,200

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, \$1,680,000 from Undesignated Fund Balance, \$1,000,000 debt financed**	STM 2020-3	7							\$ 1,680,000	
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	\$ -
CPA Debt Service - 39 Highland Ave**										\$ 1,040,000
Total			\$ -	\$ 1,000,960	\$ 40,000	\$ 1,920,000	\$ 800,000	\$ 620,000	\$ 2,631,864	\$ 1,040,000
Total Appropriations			\$ 4,898,160	\$ 6,168,920	\$ 3,815,118	\$ 7,034,493	\$ 5,747,216	\$ 5,483,412	\$ 8,887,089	\$ 3,724,550

Community Preservation Fund - Historical Debt Service Summary*

Project Description:	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	FY2020 Actual	FY2021 Projected	FY2022 Budgeted
Wright Farm	\$ 434,633	\$ 424,800	\$ 410,050	\$ 395,300	\$ 380,550	\$ 365,800	\$ 351,050	\$ 339,250
Marrett Road Purchase	\$ 1,089,774	\$ 1,065,100	\$ 1,028,100	\$ 991,100	\$ 954,100	\$ 917,100	\$ 880,100	\$ 850,500
Cary Memorial Building Construction	\$ 67,100	\$ 1,900,419	\$ 889,600	\$ 869,800	\$ 838,400	\$ 812,200	\$ 786,000	\$ 759,800
Community Center Renovation	\$ -	\$ -	\$ 40,000	\$ -	\$ 47,166	\$ -	\$ -	\$ -
Center Track and Field Reconstruction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 954,945	\$ 1,951,444	\$ -
Land Acquisition - 39 Highland Ave**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,040,000
Total CPA Debt Service	\$ 1,591,507	\$ 3,390,319	\$ 2,367,750	\$ 2,256,200	\$ 2,220,216	\$ 3,050,045	\$ 3,968,594	\$ 2,989,550

*Historical debt service includes contractually obligated principal and interest payments plus supplemental appropriations.

** An amendment to the funding source for the purchase of 39 Highland Ave is proposed in Article 25 of the 2021 Annual Town Meeting. If successful, the FY2021 Undesignated Fund Balance appropriation of \$1,680,000 will be increased by \$1,000,000 to \$2,680,000, and the proposed FY2022 debt service of \$1,040,000 for 39 Highland Ave will be reduced to zero.

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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 town parking meters and parking lot permits are deposited into the Parking Fund. This fund helps offset the costs of Police Department personal services, parking lot maintenance costs, and Department of Public Works expenses directly related to parking lot maintenance.

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.

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 \$12 and a property's assessed value is \$100,000, the property owner will pay \$12 times 100 (\$100,000/1,000), or \$1,200. 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.