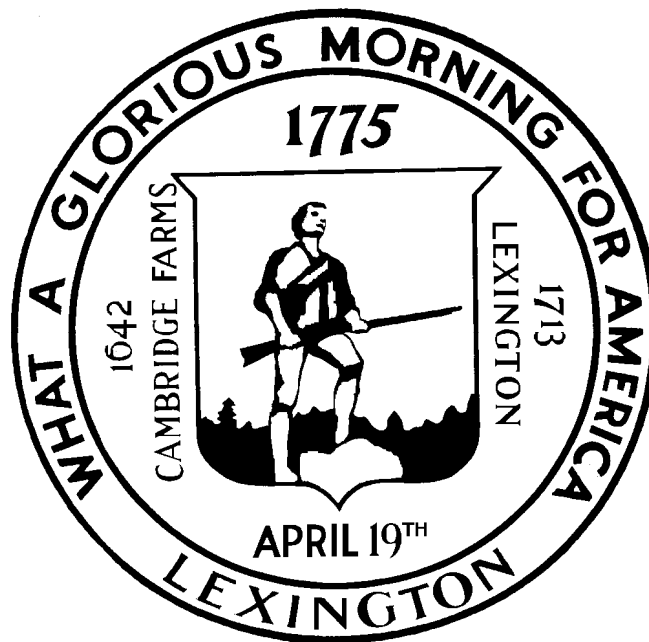


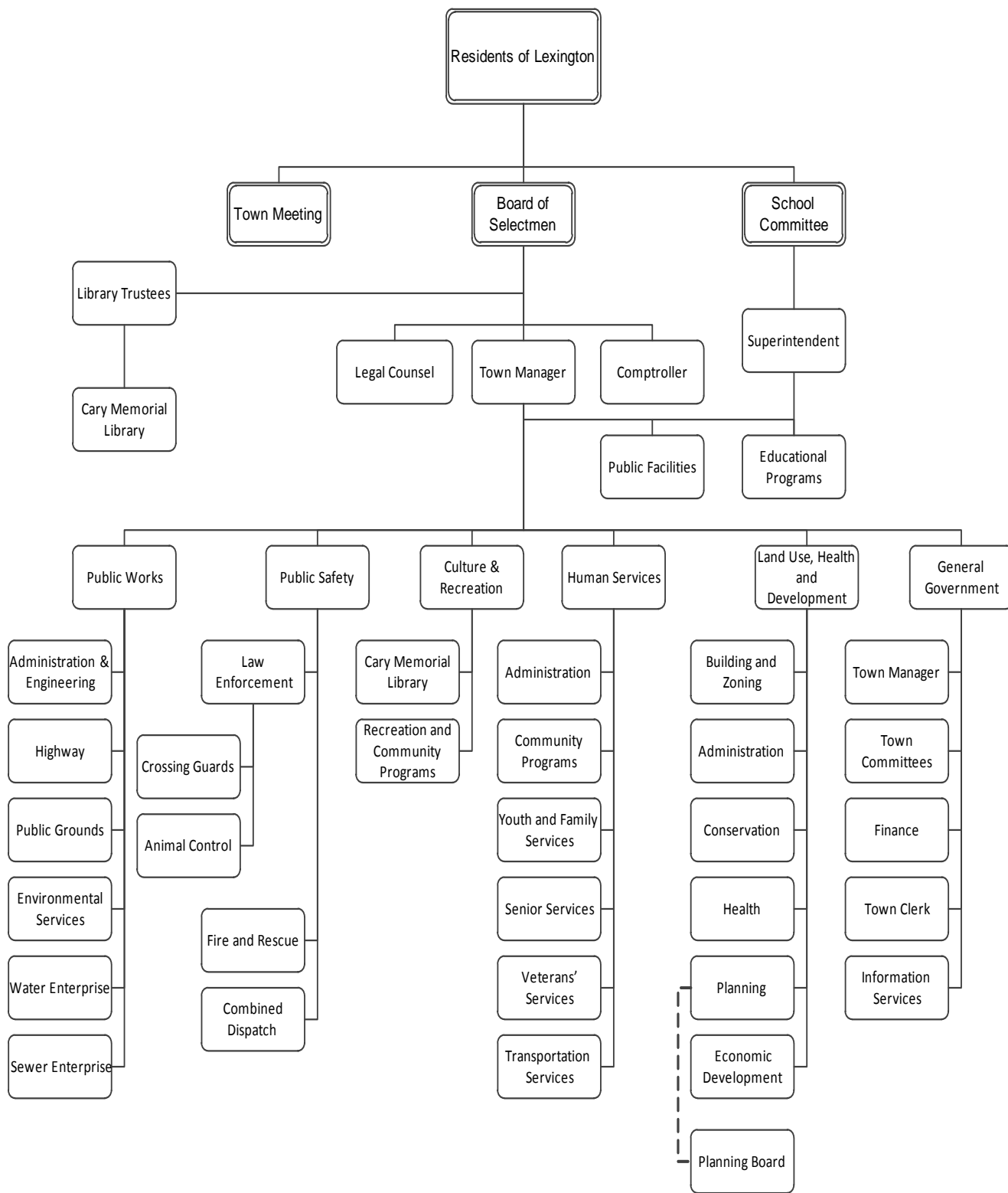
TOWN OF LEXINGTON, MASSACHUSETTS



**FISCAL YEAR 2018
RECOMMENDED BUDGET &
FINANCING PLAN
FEBRUARY 27, 2017**



Town of Lexington Organizational Chart





Town of Lexington
Town Manager's Office

Carl F. Valente, Town Manager
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February 27, 2017

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

The Board of Selectmen has approved the FY2018 Recommended Budget and Financing Plan and, on February 13, 2017, 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 twelfth 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,

Carl F. Valente

Carl F. Valente
Town Manager



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The budget document outlines the Town's financial plan as recommended by the Board of Selectmen. Both the operating and capital budgets are contained in this document. The effective period of this budget is from July 1, 2017 to June 30, 2018.

Budget-In-Brief

Report of the Town Manager

The Budget Message is a letter 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.

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The Budget Overview contains several summary tables, which display the schedule of the FY2018 budget process, expenditure and revenue history, a detailed summary of recommended appropriations for the coming fiscal year, and the revenue projected to support those appropriations.

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Acknowledgements

Preparing a budget document with this level of detail is a significant undertaking. I would like to express my appreciation to Superintendent of Schools Mary Czajkowski, Assistant Superintendent for Finance and Operations Ian Dailey, 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/Assistant Finance Director Laurie Dell'Olio, Director of Assessing Robert Lent, Management Analyst Claire Goodwin, former Human Resources Director Denise Casey, newly appointed Assistant Town Manager for Finance Carolyn Kosnoff and Deputy Town Manager Linda Vine for their work in preparing the many facets of this document. In addition, the completion of this Budget and Financing Plan is due directly to the analysis and extraordinary efforts of former Assistant Town Manager for Finance/Comptroller Rob Addelson and Budget Officer Jennifer Hewitt.

Carl F. Valente, Town Manager

Report of the Town Manager



REPORT OF THE TOWN MANAGER

The fiscal year 2018 general fund budget totals \$209,783,239, an increase of \$10,353,119 or 5.2 percent over the fiscal year 2017 adopted budget. The Board of Selectmen has unanimously approved this FY2018 Recommended Budget and Financing Plan. The recommended budget is balanced and will not require a Proposition 2½ override vote.

Overview of the FY2018 Recommended Budget and Financing Plan

The Board of Selectmen held four financial summits with the School Committee, Appropriation Committee and Capital Expenditures Committee commencing on October 6, 2016 to begin working on the fiscal year 2018 budget. Following the fourth financial summit, the Board of Selectmen approved the FY2018 recommended operating and capital budgets on February 13, 2017.

Given the recovered State and local economy, the Board of Selectmen established a goal of presenting a budget for FY2018 that is sustainable and will prepare the Town for the long list of substantial capital projects in the coming five years. With this as a priority, the Town Manager and Superintendent of Schools worked to present initial budget recommendations that were within projected FY2018 revenues. On January 9, 2017 the Town Manager presented a Preliminary Budget and Financing Plan that was balanced, but included a number of open issues related to the proposed operating and capital budgets. These issues were discussed and largely resolved at Financial Summit 4 and a subsequent Selectmen's meeting.

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

- \$7,690,398 be appropriated into the Capital Stabilization Fund for tax relief related to debt service for within levy and excluded debt service;
- \$324,500 to be appropriated from the Capital Stabilization Fund to mitigate the increase in debt service for those capital projects financed within the property tax levy limit;
- \$2,400,000 be appropriated from the Capital Stabilization Fund to provide property tax relief related to the Middle Schools and elementary schools modular classrooms debt exclusion vote in May 2016.
- \$618,148 in unallocated revenues as a cushion for: 1) revenues that may be less than estimates (e.g., State Aid); or 2) expenditures greater than estimates (e.g., health insurance); and
- \$1,829,721 in revenues to be appropriated into the Other Post-Employment Benefits (retiree health insurance) Trust Fund to continue to fund this long-term liability.

These recommendations are largely possible due to a concerted effort to limit budget increases in FY2018, and the Town's free cash position at the end of FY2016.

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

Table 1 provides a summary of the FY2018 General Fund budget, by cost center.

Table 1	FY2017 Appropriated Budget	FY2018 Recommended Budget	Change \$	Chg. %
Education	\$ 98,670,748	\$ 103,325,534	\$ 4,654,786	4.7%
Shared Expenses <i>(Public Facilities, employee/retiree benefits, pension, debt, liability insurance, Reserve Fund)</i>	\$ 51,710,920	\$ 53,970,128	\$ 2,259,208	4.4%
Municipal Departments	\$ 34,602,493	\$ 35,375,059	\$ 772,566	2.2%
Subtotal Operating Budget	\$ 184,984,161	\$ 192,670,721	\$ 7,686,560	4.2%
Cash Capital	\$ 5,619,429	\$ 6,182,099	\$ 562,670	10.0%
Other <i>(Appro. to reserves, misc.)</i>	\$ 8,826,530	\$ 10,930,419	\$ 2,103,889	23.8%
Total General Fund	\$ 199,430,120	\$ 209,783,239	\$ 10,353,119	5.2%
Projected Revenue	\$ 199,902,352	\$ 209,783,239	\$ 9,880,887	4.9%
Surplus/(Deficit)	\$ 472,232	\$ (0)	\$ (472,232)	

Selectmen's Budget Principles

In developing the annual operating budget, the Board of Selectmen continued to adhere to the following principles in order to preserve the Town's long-term financial condition:

1. Continue to set aside funds into the Capital Stabilization Fund as part of the comprehensive long-term strategy for funding critical 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. Resources should continue to be provided for road, intersection, traffic calming and sidewalk improvements and to address deferred maintenance in these assets.
4. Additional resources should be provided for pedestrian and bicycle safety, consistent with Town Meeting's vote of Article 45 at the 2015 Annual Town Meeting *(new budget guideline for FY2018)*.
5. Recurring revenues, not reserves or one-time revenues, should support operating expenses.
6. Debt will not be used to fund current operating expenditures.
7. Adequate reserves and contingency funds will be budgeted, consistent with the recommendations of the Ad Hoc Financial Policy Committee (2006) as generally endorsed by the Board of Selectmen.
8. Sufficient funds for building maintenance will be budgeted to properly maintain facilities and equipment as well as foster energy conservation.
9. One-time revenue use should be limited to funding one-time expenses (e.g., capital projects) or used to fund reserve accounts.
10. Continue to provide funding for the post-employment benefits liability (OPEB).
11. New targeted revenue sources should be considered to fund specific projects *(new budget guideline for FY2018)*.

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

The FY2018 Budget in Brief: Financing Plan, Expenditures, Reserves

While the Town's FY2018 operating budget has many complexities, the following matters deserve specific attention:

I. Financing Plan:

a. **Revenue Allocation Model:** It has been the Selectmen's practice to equitably share Town 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 Board of Selectmen, School Committee and financial committees. After shared expenses and funding for capital projects are considered, 73.7 percent of all projected FY2018 general fund revenues are allocated to the School Department and 26.3 percent are allocated to municipal departments.

b. **Revenue Projection:** In FY2018, General Fund revenues are projected to increase by \$9.9 million or 4.9 percent over FY2017 budgeted revenues. By way of comparison, budgeted revenue growth in recent years has been:

- FY17: 2.8 percent
- FY16: 6.9 percent
- FY15: 3.6 percent
- FY14: 6.0 percent
- FY13: 4.7 percent
- FY12: 4.0 percent
- FY11: 3.9 percent
- FY10: 4.0 percent

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

Table 2	FY2017 Tax Recap	FY2018 Projected	Change \$	Chg. %	% of Total Revenue
Property Tax Revenue	\$ 161,865,816	\$ 168,509,344	\$ 6,643,528	4.1%	80.3%
State Aid	\$ 13,317,118	\$ 13,552,552	\$ 235,434	1.8%	6.5%
Local Receipts (Recap)	\$ 11,567,308	\$ 12,164,750	\$ 597,442		
Local Receipts not shown on Recap	\$ 472,232	\$ -	\$ (472,232)		
Total Local Receipts	\$ 12,039,540	\$ 12,164,750	\$ 125,210	1.0%	5.8%
Available Funds	\$ 11,995,171	\$ 15,541,028	\$ 3,545,857	29.6%	7.4%
Other Available Funds: Use of Capital Stabilization Fund	\$ 710,000	\$ 324,500	\$ (385,500)	-54.3%	0.2%
Revenue Offsets	\$ (1,654,429)	\$ (1,983,047)	\$ (328,618)	19.9%	-0.9%
Enterprise Receipts	\$ 1,629,135	\$ 1,674,112	\$ 44,977	2.8%	0.8%
Gross General Fund Revenues	\$ 199,902,352	\$209,783,239	\$ 9,880,887	4.9%	
Less - Revenue Set-Aside for Designated Expenses	\$ 15,189,559	\$ 14,746,620	\$ (442,939)	-2.9%	
Net General Fund Revenues	\$ 184,712,793	\$195,036,619	\$ 10,323,826	5.6%	

c. Revenue Sources:

Property Tax Revenue and Assessed Valuations - The property tax remains the Town's primary revenue source, comprising 80.3 percent of total projected

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

revenues in FY2018 (**Table 2**). Although residential property makes up 88.4 percent of the total assessed value in Lexington, residential property owners currently pay only 79.7 percent of total property taxes as a result of the tax classification model adopted by the Board of Selectmen (**Table 4**).

Tables 3 and 4 provide a history of the Town's assessed valuation and property tax levy.

Table 3	Total Assessed Valuation	%Chg. From Prior Year	Property Tax Levy (net of excluded debt service)	% Chg. From Prior Year	Operating Override Year
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
FY2011	\$ 7,973,719,190	1.0%	\$ 122,202,173	5.4%	no
FY2010	\$ 7,891,590,610	-1.8%	\$ 115,979,750	4.7%	no
FY2009	\$ 8,033,608,130	1.3%	\$ 110,778,389	5.6%	no
FY2008	\$ 7,929,164,350	-1.6%	\$ 104,879,746	9.3%	yes
FY2007	\$ 8,059,234,580	4.9%	\$ 95,954,870	6.9%	yes

Table 4	% Assessed Valuation		% of Property Tax Levy	
	Residential	All Commercial	Residential	All Commercial
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%
FY2011	87.2%	12.8%	78.3%	21.7%
FY2010	87.4%	12.6%	78.6%	21.4%

State Aid - State Aid, which is estimated at 6.5 percent of total revenues, is also an important source of revenue. However, as recently as FY2008 State Aid was 7 percent of total revenues. State Aid is currently projected to increase by 2 percent for FY2018. While the Legislature will not likely vote the FY2018 State budget until after the close of Town Meeting, the Governor's proposed budget provides for a significant increase in the Town's State Aid, largely the result of the increasing number of students in Lexington's schools. **If this increase comes to pass, these funds could be directed at a Special Town Meeting in the Fall to the Capital Stabilization Fund or other reserve accounts.**

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

Table 5 below provides a recent history of the Town's State Aid including the FY2018 projection.

Table 5	FY2014	FY2015	FY2016	FY2017 Estimated	FY2018 Projected
Chapter 70-Education Unrestricted	\$ 8,657,571	\$ 9,584,428	\$ 9,968,536	\$ 11,631,074	\$ 11,863,695
Charter School Reimbursement	\$ 12,628	\$ 1,786	\$ 893	\$ 7,728	\$ 1,790
General Government Unrestricted	\$ 1,326,917	\$ 1,363,715	\$ 1,412,809	\$ 1,473,560	\$ 1,503,031
Veteran's Benefits & Exemptions	\$ 147,543	\$ 169,557	\$ 139,502	\$ 158,221	\$ 137,500
Offsets (School Lunch & Library)	\$ 69,921	\$ 73,976	\$ 46,897	\$ 46,535	\$ 46,535
Total	\$10,214,580	\$ 11,193,462	\$ 11,568,637	\$ 13,317,118	\$ 13,552,552
\$ Change from Prior Year	\$ 804,446	\$ 978,882	\$ 375,175	\$ 1,748,481	\$ 235,434
% Change from Prior Year	8.5%	9.6%	3.4%	15.1%	1.8%

II. Expenditures:

Budget highlights include:

- a. Lexington Public Schools: The FY2018 School Department proposed General Fund budget (net of grants and other receipts) is increasing by 4.5 percent. The Minuteman Regional High School budget (included in the Education line shown in Table 1) is increasing by 21.3 percent, largely driven by increasing enrollment, debt service associated with the proposed new school project, and the reduction of member communities.
- b. Municipal Departments: The municipal budget is increasing by 2.2 percent, largely the result of:
 - contractual salary adjustments;
 - additional engineering support for DPW to assist in managing various construction projects;
 - additional staffing related to new requirements under the State's Public Records law;
 - implementation of new public safety software; and
 - bicycle safety improvements.
- c. Health Insurance for Employees and Retirees: At the time this FY2018 Recommended Budget and Financing Plan was being completed, the State's Group Insurance Commission (GIC), which the Town joined as of July 1, 2012, had not established its premiums for the various health insurance plans it will offer in FY2018. The Town has estimated an 8 percent increase in premiums for FY2018. The GIC is scheduled to set its FY2018 premium rates on March 1. Any budget revisions, if necessary, could be presented to Town Meeting as part of the motion for Article 4.

The FY2018 health insurance budget to be presented to Town Meeting reflects 12.3 new school department positions, three new Facilities Department positions, and two new municipal positions. This budget also provides for the potential of an additional 40 active employees and 50 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 2018 RECOMMENDED BUDGET AND FINANCING PLAN

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

Table 6 Fiscal Year ¹	Employees/Retirees Enrolled in Town's Health Insurance Program					In Opt-Out Program ³
	Municipal Employees	School Employees	Total Employees	Retirees	Total	Total
2007	260	819	1079	948	2027	NA
2008	256	834	1090	976	2066	NA
2009	267	859	1126	991	2117	NA
2010	264	847	1111	1000	2111	NA
2011	272	835	1107	1016	2123	NA
2012	264	827	1091	1034	2125	NA
2013 ²	253	822	1075	1112	2187	NA
2014	269	839	1108	1151	2259	NA
2015	268	835	1103	1189	2292	NA
2016	261	836	1097	1222	2319	40
2017	261	827	1088	1243	2331	69

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

Note 2: Increase in retiree enrollment 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 whereby employees who were enrolled in the Town's health insurance program and who elect to withdraw receive a payment of \$2500 if withdrawing from an individual plan and \$5,000 if withdrawing from a family plan. This program has saved the Town approximately \$361,000 in FY17.

- d. Utilities/Fuel: Utility costs for FY2018, accounted for in the general and enterprise funds, are expected to increase by \$9,373 or 0.3 percent. With the conversion of heating systems at the Bridge, Bowman and Estabrook schools to natural gas, nearly all Town facilities now use this heating source. Three factors have contributed to the successful management of utility costs: installation of solar panels on six municipal and school buildings and the Hartwell Compost site (\$190,000 in savings), generating 2.7MW of power; energy efficiency initiatives; and long-term energy contracts for electricity and natural gas at favorable rates.

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

Table 7	FY2015	FY2016	FY2017	FY2018	FY18-17	FY18-17
	Actual	Actual	Estimated	Budgeted	\$ Change	% Change
Electricity	\$ 2,324,416	\$ 2,324,416	\$ 2,272,291	\$ 2,308,525	\$ 36,234	1.6%
Heating Oil	\$ 1,630	\$ 792	\$ 3,600	\$ 2,800	\$ (800)	-22.2%
Natural Gas	\$ 953,564	\$ 684,406	\$ 839,889	\$ 773,801	\$ (66,088)	-7.9%
Diesel/Gasoline	\$ 445,784	\$ 245,413	\$ 295,207	\$ 335,234	\$ 40,027	13.6%
Total	\$ 3,725,394	\$ 3,255,026	\$ 3,410,987	\$ 3,420,360	\$ 9,373	0.3%

- III. **Reserves**: Following the downturn in the economy in the 2001-2003 period, the Board of Selectmen increasingly focused on the Town's then lack of financial reserves to bridge revenue shortfalls that result when a recession occurs. Reserves provide an important tool in managing Town finances during a recessionary period. In response to these concerns, 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

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

the Selectmen 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.

Table 8 below provides a summary of the Town's primary reserve funds.

	General Stabilization Fund	Special Education Stabilization Fund	Other Post Employment Benefits Trust Fund	Capital Stabilization Fund
Table 8				
Current Balance ⁽¹⁾	\$ 9,358,536	\$ 1,083,163	\$ 9,308,872	\$ 23,066,687
Proposed Appropriation From (2017 ATM)	\$ -	\$ -	\$ -	\$ (2,724,500)
Proposed Appropriation Into (2017 ATM)	\$ -	\$ -	\$ 1,829,721	\$ 7,690,398
Projected Balance, July 1, 2017	\$ 9,358,536	\$ 1,083,163	\$ 11,138,593	\$ 28,032,585
<i>⁽¹⁾ Reflects 12/31/2016 Balance</i>				

The Town's goal has been to build its operating budget reserves (i.e., General Stabilization Fund and Special Education Stabilization Fund) to a level of seven percent of General Fund revenues (\$13-\$14 million), an amount considered sufficient to make up three years of revenue shortfalls that typically occur during an economic slowdown. This goal has largely been achieved. On another positive note, the budget includes a recommendation to continue to set aside funds for post-employment benefits (i.e., retiree health care) for the tenth consecutive year.

Table 9 below provides a history of appropriations into and out of the Capital Stabilization Fund and recommendations for FY2018:

	FY2013	FY2014	FY2015	FY2016	FY2017 Appropriated	FY2018 Budget
Table 9						
Prior Year Balance		\$ 1,601,836	\$ 3,990,704	\$ 8,048,466	\$ 16,725,947	\$ 23,066,687
Appropriation into Capital Stabilization Fund	\$ 1,600,000	\$ 3,983,240	\$ 5,910,726	\$ 9,447,832	\$ 6,991,205	\$ 7,690,398
Subtotal-Available for Appropriation	\$ 1,600,000	\$ 5,585,076	\$9,901,430	\$ 17,496,298	\$ 23,717,152	\$ 30,757,085
Appropriation From Capital Stabilization Fund						
Excluded Debt Service Tax Relief	\$ -	\$ (1,600,000)	\$ (950,000)	\$ (215,000)	\$ -	\$ (2,400,000)
Within Levy Debt Service Mitigation	\$ -	\$ -	\$ (919,000)	\$ (620,567)	\$ (710,000)	\$ (324,500)
Subtotal - Appropriation	\$ -	\$ (1,600,000)	\$ (1,869,000)	\$ (835,567)	\$ (710,000)	\$ (2,724,500)
Interest Income (a/o 12/31/16)	\$ 1,836	\$ 5,628	\$ 16,036	\$ 65,216	\$ 59,535	\$ -
Projected Balance of Fund	\$ 1,601,836	\$ 3,990,704	\$ 8,048,466	\$16,725,947	\$23,066,687	\$28,032,585

The FY2018 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 2-4 in the March 20, 2017 Special Town Meeting Warrant and Articles 11-17 in the Annual Town Meeting Warrant represent the capital portion of this year's recommended budget. For fiscal year 2018, a total capital budget of \$111.2 million is proposed.

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

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

Table 10 provides a summary of funding sources financing the Town's recommended capital plan for FY2018.

Table 10	Free Cash/Tax Levy	Other Financing Sources ¹	Debt ³	Total	Other ⁴
General Fund	\$ 6,087,640	\$ -	\$ 8,511,626	\$ 14,599,266	
Proposed Excluded Debt	\$ -	\$ -	\$ 90,400,000	\$ 90,400,000	
Chapter 90/Other	\$ -	\$ 94,459	\$ -	\$ 94,459	\$ 1,046,016
Water Enterprise	\$ -	\$ 1,095,000	\$ -	\$ 1,095,000	
Sewer Enterprise	\$ -	\$ 1,290,000	\$ 530,000	\$ 1,820,000	
Recreation Enterprise	\$ -	\$ 55,000	\$ -	\$ 55,000	
Compost Revolving Fund			\$ 725,000		
Community Preservation Act ²	\$ -	\$ 3,186,142	\$ -	\$ 3,186,142	
Total (all Funds)	\$ 6,087,640	\$ 5,720,601	\$100,166,626	\$111,249,867	\$ 1,046,016

¹ Other Funding Sources includes \$35,000 from the Sale of Cemetery Lots Special Revenue Fund for the Westview Cemetery Building Assessment and \$59,459 from prior years' unused bond proceeds for Public Facilities Bid Documents.

² Includes both Town and non-Town CPA funded projects.

³ General Fund debt of \$8,446,626 (from Table I - FY2018 Recommended Projects -General Fund Debt) is net of \$1,811,250 for those projects that are potential candidates for debt exclusions as this amount is also included in the \$88,075,000 of Proposed Excluded Debt Projects (Table V - FY2018 Recommended Projects - Funding Through Proposition 2 1/2 Debt Exclusion).

⁴ Other includes \$75,000 from the School's Food Service Revolving Fund for food service equipment and \$971,016 in Chapter 90 Aid for street improvements. These items do not require a Town Meeting appropriation.

This capital budget is consistent with the recommendations of the Selectmen's Ad hoc Fiscal Task Force. The Task Force suggested that, given favorable interest rates, the Town continue to make progress with the backlog of capital projects, increasing both debt and cash capital financing.

Table 11 provides a summary of the Town's cash capital plan for the period FY2012-2018.

Table 11	Cash Capital
FY2018 Proposed	\$ 6,182,099
FY2017 Appropriated	\$ 5,619,429
FY2016 Appropriated	\$ 4,642,987
FY2015 Appropriated	\$ 5,958,117
FY2014 Appropriated	\$ 6,919,202
FY2013 Appropriated	\$ 3,902,794
FY2012 Appropriated	\$ 2,627,174

II. Other Planned Capital Projects:

The Town is planning for a number of significant future capital projects over the next three to five years, including a new Hastings School, a stand-alone Lexington Children's Place building (pre-kindergarten) at the Pelham Road property, a new or expanded fire station, a new or expanded police station, the Center Streetscape improvement project, an expansion of the Community Center at the Pelham Road

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

Property, and an expanded Visitors Center. It is recommended, and shown in Table 9, that the Town appropriate into the Capital Stabilization Fund an additional \$7,690,398 to be used to mitigate the related debt service for these projects, thereby providing tax relief to Lexington's taxpayers.

III. Debt/Debt Service:

The Town of Lexington has maintained a Aaa credit rating for many years. Moody's Investors Service recently reaffirmed this credit rating in February 2017 when the Town issued \$45 million in long-term debt that sold at a 3.06 percent interest rate over a 30-year term. Standard and Poor's also rated this debt AAA. In its credit rating opinion, Moody's cited the Town's strong financial position including healthy reserve levels, sizeable and affluent tax base, and manageable debt and pension burdens. 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. Approximately 30 of the 351 Massachusetts cities and towns maintain the Aaa/AAA rating.

Table 12 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. The Board of Selectmen will propose appropriating \$324,500 from the Capital Stabilization Fund to mitigate within levy debt service and \$2,400,000 from the Capital Stabilization Fund to provide property tax relief for excluded debt service.

Table 12	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Annual Debt Service	Actual	Actual	Actual	Actual	Appropriated	Proposed
General Fund ¹	\$ 5,669,343	\$ 5,534,823	\$ 6,524,620	\$ 6,740,537	\$ 7,199,028	\$ 7,152,605
Prop 2 1/2 Debt Exclusion ²	\$ 6,642,450	\$ 8,381,309	\$ 8,344,302	\$ 8,682,489	\$ 8,330,185	\$ 11,630,051
Water	\$ 1,299,090	\$ 1,260,655	\$ 1,379,622	\$ 1,415,508	\$ 1,408,576	\$ 1,466,428
Compost Revolving Fund	\$ 43,406	\$ 88,071	\$ 40,199	\$ 63,894	\$ 102,381	\$ 162,681
Sewer	\$ 956,855	\$ 1,131,673	\$ 1,220,843	\$ 984,679	\$ 981,220	\$ 1,063,349
Recreation	\$ 131,500	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Total Debt Service	\$ 14,742,644	\$ 16,496,531	\$ 17,609,586	\$ 17,987,106	\$ 18,121,390	\$ 21,575,113
Gross Revenues	\$ 186,825,482	\$ 200,482,883	\$ 209,377,849	\$ 222,654,122	\$ 229,182,321	\$ 240,718,826
Debt Serv. % of Revenue	7.89%	8.23%	8.41%	8.08%	7.91%	8.96%

Note 1: FY2018 General Fund debt service is gross debt service and does not reflect the proposed use of \$324,500 from the Capital Stabilization Fund to mitigate the debt service impact on the recommended budget.

Note 2: FY2016 debt exclusion amount is gross debt service and does not reflect the use of \$215,000 of the Capital Stabilization Fund to mitigate the debt service impact on taxpayers. FY2018 debt exclusion amount is gross debt service and does not reflect

History of Proposition 2 ½ Overrides and Debt Exclusions in Lexington

The FY2018 budget, as presented, is balanced without the need for a Proposition 2 ½ Override. Below is a history of Overrides and Debt Exclusions election results in Lexington:

NR: not requested

<u>Fiscal Year</u>	<u>Override</u>	<u>Debt Exclusion</u>
2018	NR	Anticipated for Hastings, LCP & Fire Station
2017 - approved	NR	\$71,663,200 (Middle Schools and Elementary Modulars)
2015	NR	NR
2014	NR	NR
2013	NR	NR
2012 - approved	NR	\$51,800,000 (Bridge, Bowman, Estabrook)

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

2011	NR	NR
2010	NR	NR
2009	NR	NR
2008 - approved	\$3,981,589	\$25,180,000 (Public Services Building)
2007 - approved	\$1,858,435	NR
2007 – not approved	\$3,166,166	NR
2006	NR	NR
2005 - approved	\$4,224,340	NR
2004 - not approved	\$4,957,000	NR
2003 - approved	NR	\$42,550,000 (schools, roads, Lincoln Park)
2002	NR	NR
2001 - approved	\$3,440,829	NR
2000 - approved	NR	\$52,235,000 (school building projects)
1999 - not approved	NR	\$68,200,000 (school building projects)
1998	NR	NR
1997	NR	NR
1996 - approved	\$1,500,000	NR
1995	NR	NR
1994	NR	NR
1993 - approved	\$2,718,092	NR
1992	NR	NR
1991 - approved	\$1,097,829	NR
1990	NR	NR
1989 - approved	NR	\$11,000,000 (Pine Meadows Golf Course)

Elderly/Low Income Property Tax Relief

The Board of Selectmen continues to examine various options to provide property tax relief to low income and elderly residents. The FY2018 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 \$1,045 per individual or \$1,330 per two-person household toward their property tax bills.

2. Property Tax Deferral - The Town has received special legislation to increase the income limits for residents over 65 years of age who wish to defer their property taxes. Currently, seniors who earn less than \$70,000 qualify for this program. 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 eight years has been:

FY2017	0.66 percent
FY2016	0.25 percent
FY2015	0.12 percent
FY2014:	0.15 percent
FY2013:	0.18 percent
FY2012:	0.26 percent
FY2011:	0.34 percent
FY2010:	0.68 percent

3. Increase in the Property Tax Exemption Limits – At the 2006 Annual Town Meeting, the Town voted to double the amount of the property tax exemption for certain

FISCAL YEAR 2018 RECOMMENDED BUDGET AND FINANCING PLAN

qualifying residents, to \$1,000.

4. The Town offers an exemption from the Community Preservation Act surcharge to qualified low-income residents.
5. 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:

- FY2019: Lexington Municipal Management Association
- FY2018: Public Works, Municipal Custodians and Public Safety Dispatchers.
- FY2017: Lexington Municipal Employees Association
- FY2016: Library Association; Fire Union, School Crossing Guards.
- FY2015: Police Officers.
- FY2012: Police Superior Officers

The budget for fiscal year 2018 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 2018, a residential tax rate of \$15.13/\$1,000 of valuation is estimated compared to the residential tax rate of \$14.49/\$1,000 of valuation for Fiscal Year 2017.

The following table provides a summary of components of the property tax bill for a home assessed at \$831,000, which is the current median residential property value in Lexington.

MEDIAN RES. TAX BILL	FY2014	FY2015	FY2016	FY2017	FY2018 <i>(est.)</i>
Property tax w/2.5% increase	\$9,529	\$10,246	\$10,890	\$11,452	11,738
Proposition 2½ debt exclusion	459	513	586	\$589	655
Community Preservation Act surcharge	253	278	300	\$318	327
Total tax bill	\$10,242	\$11,037	\$11,776	\$12,393	\$12,720

Assumes no change in the residential/commercial tax shift in FY17 to FY18.

Assumes no change in total valuation by class of property (residential, commercial/industrial, personal property) in FY18.

Additional Information

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

Town Manager Carl Valente: 781 698-4540





Assistant Town Manager for Finance Carolyn Kosnoff: 781 698-4622

Budget Officer Jennifer Hewitt: 781 698-4626

Section I: Budget Overview



FY2018 Budget Process

	July	August	September	October	November	December	January	February	March	April	May	June
Elections												
Town Meeting												
Town Manager												
Summit				I	II	III	IV					
BOS												
School Cmte.												

----- Calendar Year 2016 ----- Calendar Year 2017 -----

Important Dates

<p>August 2016 Issuance of Capital and Operating Budget Guidelines</p> <p>October 2016  Summit I - Financial Indicators & Projections Discuss Guidelines and Drivers Town Manager Review of Capital Budget Requests October 6th</p> <p>November 2016  Summit II - Revenue Projection and Allocation Town Manager Review of Operating Budget Requests November 9th</p> <p>December 2016 Municipal Budget Workshops with Selectmen School Committee Hearings on Budget  Summit III - Revenue Allocation December 1st</p> <p>January 2017 Submittal of FY2018 Superintendent's Recommended Budget to SC January 3rd Submittal of FY2018 Manager's Recommended Budget to BOS January 9th  Summit IV - Review of FY2018 Town Manager's Preliminary Budget January 12th</p>	<p>February 2017 Board of Selectmen Vote on the FY2018 Recommended Budget Budget Decisions and Deliberations Concluded February 13th FY2018 Recommended Budget submitted to Town Meeting February 27th</p> <p>March 2017  Municipal Election March 6th Town Meeting Commences March 20th  Budget Presentations by Town Manager and Superintendent March 22nd (tent.)  Town Meeting Begins Budget Deliberations March 27th</p>
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Section I Budget Overview

Town of Lexington, Massachusetts

Summary of Revenues and Expenditures

The summary below shows revenues & expenditures for the Town of Lexington for FY2015-2018. It reflects actual results of FY2015 and FY2016, FY2017 estimated revenues and budgeted expenditures submitted to the Department of Revenue for the certification of the FY2017 tax rate, and the budget recommendations of the Board of Selectmen and School Committee for FY2018 budget and projected revenues to support those recommendations.

Revenue Summary	FY2015 Actual	FY2016 Actual	FY2017 Recap	FY2018 Projected
Tax Levy	\$ 148,212,539	\$ 154,750,150	\$ 161,865,816	\$ 168,509,344
State Aid	\$ 11,193,462	\$ 11,568,637	\$ 13,317,118	\$ 13,552,552
Local Receipts	\$ 15,325,125	\$ 15,776,739	\$ 11,567,308	\$ 12,164,750
Local Receipts not shown on Recap	\$ -	\$ -	\$ 472,232	\$ -
Available Funds	\$ 11,012,293	\$ 15,654,839	\$ 11,995,171	\$ 15,541,028
Other Available Fund: Use of Capital Stabilization Fund	\$ 919,000	\$ 620,567	\$ 710,000	\$ 324,500
Revenue Offsets	\$ (2,492,221)	\$ (2,905,154)	\$ (1,654,429)	\$ (1,983,047)
Enterprise Funds (Indirect)	\$ 1,487,905	\$ 1,617,576	\$ 1,629,135	\$ 1,674,112
Total General Fund	\$185,658,103	\$197,083,353	\$199,902,352	\$209,783,239

General Fund Expenditure Summary

Education				
Lexington Public Schools	\$ 85,272,802	\$ 89,282,114	\$ 97,293,299	\$ 101,655,183
Minuteman Regional School	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351
<i>Subtotal Education</i>	\$ 86,517,186	\$ 90,454,850	\$ 98,670,748	\$ 103,325,534
Municipal Departments	\$ 32,227,123	\$ 33,006,858	\$ 34,602,493	\$ 35,375,059
Shared Expenses				
Benefits & Insurance	\$ 27,625,569	\$ 29,288,488	\$ 33,609,476	\$ 35,514,536
Debt (within-levy)	\$ 6,524,620	\$ 6,740,537	\$ 7,199,028	\$ 7,152,605
Reserve Fund	\$ -	\$ -	\$ 900,000	\$ 900,000
Facilities	\$ 9,894,474	\$ 9,820,826	\$ 10,002,416	\$ 10,402,987
<i>Subtotal Shared Expenses</i>	\$ 44,044,663	\$ 45,849,851	\$ 51,710,920	\$ 53,970,128
Capital				
Cash Capital (designated)	\$ 5,958,118	\$ 4,642,987	\$ 5,619,429	\$ 6,182,099
<i>Subtotal Capital</i>	\$ 5,958,118	\$ 4,642,987	\$ 5,619,429	\$ 6,182,099
Other				
Other (allocated)	\$ 7,049,726	\$ 10,904,668	\$ 8,826,530	\$ 10,312,271
Other (unallocated)	\$ -	\$ -	\$ -	\$ 618,148
<i>Subtotal Other</i>	\$ 7,049,726	\$ 10,904,668	\$ 8,826,530	\$ 10,930,419
Total General Fund	\$ 175,796,815	\$ 184,859,215	\$ 199,430,120	\$ 209,783,239
Surplus/(Deficit)	\$ 9,861,288	\$ 12,224,139	\$ 472,232	\$ 0

Section I Budget Overview

Town of Lexington, Massachusetts

Summary of Revenues and Expenditures (continued)

Other Expenses

Revolving Funds	\$ 2,375,318	\$ 3,212,677	\$ 3,524,526	\$ 3,704,629
Grants	\$ 103,184	\$ 123,082	\$ 133,060	\$ 135,223
CPA	\$ 4,907,460	\$ 6,196,761	\$ 4,777,089	\$ 5,727,140
<i>Subtotal Other Expenses</i>	<i>\$ 7,385,962</i>	<i>\$ 9,532,520</i>	<i>\$ 8,434,675</i>	<i>\$ 9,566,992</i>
Enterprise Funds (Direct)				
Water	\$ 8,394,546	\$ 9,004,927	\$ 9,861,480	\$ 9,869,784
Wastewater (Sewer)	\$ 8,928,944	\$ 8,497,733	\$ 8,892,849	\$ 9,182,509
Recreation and Community Programs	\$ 1,739,367	\$ 2,210,425	\$ 2,626,287	\$ 2,725,114
Cash Capital	\$ 2,054,000	\$ 2,667,500	\$ 463,000	\$ 2,440,000
<i>Subtotal Enterprise Funds</i>	<i>\$ 21,116,857</i>	<i>\$ 22,380,585</i>	<i>\$ 21,843,616</i>	<i>\$ 24,217,407</i>
Exempt Debt				
Municipal	\$ 1,949,180	\$ 1,904,638	\$ 1,459,125	\$ 1,168,065
School	\$ 5,474,152	\$ 6,420,058	\$ 6,871,060	\$ 8,089,573
<i>Subtotal Exempt debt</i>	<i>\$ 7,423,332</i>	<i>\$ 8,324,697</i>	<i>\$ 8,330,185</i>	<i>\$ 9,257,637</i>
Total Other Expenses	\$ 35,926,151	\$ 40,237,802	\$ 38,608,476	\$ 43,042,036
Total Expenses	\$ 211,722,966	\$ 225,097,017	\$ 238,038,596	\$ 252,825,275

Section I Budget Overview

Town of Lexington, Massachusetts

Program Summary

Element	Description	A	B	C	F	G	H
		FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	(F-C) Change \$	(G/C) Change %
Operating Budget- General Fund Expenses							
<u>Program 1000: Education</u>							
1100	Lexington Public Schools	\$ 85,272,802	\$ 89,282,114	\$ 97,293,299	\$ 101,655,183	\$ 4,361,884	4.48%
1200	Regional Schools	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Total Education		\$ 86,517,186	\$ 90,454,850	\$ 98,670,748	\$ 103,325,534	\$ 4,654,786	4.72%
<u>Program 2000: Shared Expenses</u>							
2110	Contributory Retirement	\$ 4,919,154	\$ 5,185,638	\$ 5,505,537	\$ 5,755,537	\$ 250,000	4.54%
2120	Non-Contributory Retirement	\$ 13,447	\$ 13,836	\$ 13,837	\$ 14,620	\$ 783	5.66%
2130	Employee Benefits (Health/Dental/Life/Medicare)	\$ 21,167,000	\$ 22,677,980	\$ 26,240,825	\$ 27,773,351	\$ 1,532,525	5.84%
2140	Unemployment	\$ 233,370	\$ 150,561	\$ 200,000	\$ 200,000	\$ -	-
2150	Workers' Comp.* (MGL Ch. 40:13A&13C, Ch. 41:111F)	\$ 402,508	\$ 490,589	\$ 747,665	\$ 807,136	\$ 59,471	7.95%
2160	Property & Liability Insurance	\$ 802,581	\$ 646,401	\$ 676,612	\$ 713,893	\$ 37,281	5.51%
2170	Uninsured Losses (MGL Ch. 40, Sec. 13)*	\$ 87,510	\$ 123,484	\$ 225,000	\$ 250,000	\$ 25,000	11.11%
Subtotal 2100 Benefits		\$ 27,625,569	\$ 29,288,488	\$ 33,609,476	\$ 35,514,536	\$ 1,905,061	5.67%
2210	Payment on Funded Debt	\$ 5,490,412	\$ 5,169,842	\$ 5,904,336	\$ 5,596,760	\$ (307,576)	-5.21%
2220	Interest on Funded Debt	\$ 971,079	\$ 921,553	\$ 1,039,068	\$ 1,156,778	\$ 117,710	11.33%
2230	Temporary Borrowing	\$ 63,129	\$ 649,142	\$ 255,624	\$ 399,066	\$ 143,442	56.11%
Subtotal 2200 Debt Services		\$ 6,524,620	\$ 6,740,537	\$ 7,199,028	\$ 7,152,605	\$ (46,423)	-0.64%
2310	Reserve Fund			\$ 900,000	\$ 900,000	\$ -	-
2400	Facilities	\$ 9,894,474	\$ 9,820,826	\$ 10,002,416	\$ 10,402,987	\$ 400,571	4.00%
Total Shared Expenses		\$ 44,044,663	\$ 45,849,851	\$ 51,710,920	\$ 53,970,128	\$ 2,259,208	4.37%
<u>Program 3000: Public Works</u>							
3100-3500	DPW Personal Services	\$ 3,997,277	\$ 3,805,810	\$ 3,963,034	\$ 4,050,807	\$ 87,772	2.21%
3100-3500	DPW Expenses	\$ 5,369,351	\$ 4,797,873	\$ 5,083,458	\$ 5,342,880	\$ 259,422	5.10%
Total Public Works		\$ 9,366,628	\$ 8,603,683	\$ 9,046,492	\$ 9,393,686	\$ 347,194	3.84%

Section I Budget Overview

Town of Lexington, Massachusetts

Program Summary

Element	Description	A	B	C	F	G	H
		FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	(F-C) Change \$	(G/C) Change %
<u>Program 4000: Public Safety</u>							
4100	Law Enforcement Personal Services	\$ 5,580,343	\$ 6,224,424	\$ 5,978,454	\$ 5,974,508	\$ (3,946)	-0.07%
4100	Law Enforcement Expenses	\$ 733,024	\$ 776,267	\$ 843,373	\$ 872,527	\$ 29,154	3.46%
Subtotal 4100 Law Enforcement		\$ 6,313,367	\$ 7,000,691	\$ 6,821,827	\$ 6,847,035	\$ 25,208	0.37%
4200	Fire Personal Services	\$ 5,591,724	\$ 5,793,416	\$ 5,875,865	\$ 5,863,961	\$ (11,904)	-0.20%
4200	Fire Expenses	\$ 520,253	\$ 495,512	\$ 542,250	\$ 558,011	\$ 15,761	2.91%
Subtotal 4200 EMS/Fire		\$ 6,111,977	\$ 6,288,928	\$ 6,418,115	\$ 6,421,971	\$ 3,856	0.06%
Total Public Safety		\$ 12,425,344	\$ 13,289,618	\$ 13,239,942	\$ 13,269,007	\$ 29,065	0.22%
<u>Program 5000: Culture & Recreation</u>							
5100	Library Personal Services	\$ 1,866,567	\$ 2,008,885	\$ 2,060,072	\$ 2,098,338	\$ 38,266	1.86%
5100	Library Expenses	\$ 271,339	\$ 385,313	\$ 408,527	\$ 435,806	\$ 27,279	6.68%
Total Culture & Recreation		\$ 2,137,906	\$ 2,394,198	\$ 2,468,599	\$ 2,534,144	\$ 65,545	2.66%
<u>Program 6000: Human Services</u>							
6000	Human Services Personal Services	\$ 463,004	\$ 481,215	\$ 533,782	\$ 541,106	\$ 7,323	1.37%
6000	Human Services Expenses	\$ 610,862	\$ 641,049	\$ 680,979	\$ 753,807	\$ 72,828	10.69%
Total Human Services		\$ 1,073,867	\$ 1,122,264	\$ 1,214,761	\$ 1,294,913	\$ 80,151	6.60%
<u>Program 7000: Office of Land Use, Health and Development</u>							
7100	Office of LU/Health/Dev. Personal Services	\$ 1,513,599	\$ 1,654,817	\$ 1,829,540	\$ 1,868,974	\$ 39,434	2.16%
7100	Office of LU/Health/Dev. Expenses	\$ 368,852	\$ 313,185	\$ 436,613	\$ 443,238	\$ 6,625	1.52%
Total Office of LU/Health/Development		\$ 1,882,451	\$ 1,968,002	\$ 2,266,153	\$ 2,312,212	\$ 46,059	2.03%

Section I Budget Overview

Town of Lexington, Massachusetts

Program Summary

Program Summary		A	B	C	F	G	H
						(F-C)	(G/C)
Element	Description	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Change \$	Change %
Program 8000: General Government							
8110	Selectmen Personal Services	\$ 119,765	\$ 136,653	\$ 146,424	\$ 125,304	\$ (21,120)	-14.42%
8110	Selectmen Expenses	\$ 91,934	\$ 79,724	\$ 103,325	\$ 99,588	\$ (3,737)	-3.62%
8120	Legal	\$ 434,000	\$ 276,769	\$ 410,000	\$ 410,000	\$ -	0.00%
8130	Town Report	\$ 4,680	\$ 8,940	\$ 13,500	\$ 13,688	\$ 188	1.39%
Subtotal 8100 Board of Selectmen		\$ 650,379	\$ 502,086	\$ 673,249	\$ 648,580	\$ (24,669)	-3.66%
8210-8220	Town Manager Personal Services	\$ 636,241	\$ 567,869	\$ 573,924	\$ 583,458	\$ 9,534	1.66%
8210-8220	Town Manager Expenses	\$ 165,948	\$ 209,004	\$ 250,085	\$ 206,585	\$ (43,500)	-17.39%
8230	Salary Transfer Account* (MGL Ch.40, Sec 13D)	\$ 587,310	\$ 455,517	\$ 546,757	\$ 750,592	\$ 203,835	37.28%
Subtotal 8200 Town Manager		\$ 1,389,499	\$ 1,232,390	\$ 1,370,766	\$ 1,540,634	\$ 169,869	12.39%
8310	Financial Committees	\$ 6,476	\$ 6,652	\$ 8,000	\$ 8,130	\$ 130	1.63%
8320	Misc. Boards and Committees	\$ 1,813	\$ 16,818	\$ 34,500	\$ 4,500	\$ (30,000)	-86.96%
8330	Town Celebrations Committee	\$ 40,980	\$ 73,194	\$ 39,000	\$ 45,250	\$ 6,250	16.03%
Subtotal 8300 Town Committees		\$ 49,270	\$ 96,664	\$ 81,500	\$ 57,880	\$ (23,620)	-28.98%
8400	Finance Personal Services	\$ 1,223,727	\$ 1,307,608	\$ 1,410,342	\$ 1,394,395	\$ (15,947)	-1.13%
8400	Finance Expenses	\$ 431,907	\$ 404,745	\$ 497,995	\$ 485,630	\$ (12,365)	-2.48%
Subtotal 8400 Finance		\$ 1,655,633	\$ 1,712,353	\$ 1,908,337	\$ 1,880,025	\$ (28,312)	-1.48%
8500	Town Clerk Personal Services	\$ 311,770	\$ 329,359	\$ 370,122	\$ 357,836	\$ (12,286)	-3.32%
8500	Town Clerk Expenses	\$ 114,059	\$ 96,936	\$ 125,567	\$ 120,250	\$ (5,317)	-4.23%
Subtotal 8500 Town Clerk		\$ 425,829	\$ 426,295	\$ 495,689	\$ 478,086	\$ (17,603)	-3.55%
8600	IS Personal Services	\$ 458,967	\$ 684,694	\$ 806,104	\$ 807,817	\$ 1,713	0.21%
8600	IS Expenses	\$ 711,350	\$ 974,611	\$ 1,030,900	\$ 1,158,075	\$ 127,175	12.34%
Subtotal 8600 IS		\$ 1,170,317	\$ 1,659,304	\$ 1,837,004	\$ 1,965,892	\$ 128,888	7.02%
Total General Government		\$ 5,340,927	\$ 5,629,093	\$ 6,366,545	\$ 6,571,097	\$ 204,552	3.21%
Total Municipal		\$ 32,227,123	\$ 33,006,858	\$ 34,602,493	\$ 35,375,059	\$ 772,566	2.23%
Operating Department Summary							
Education Operating		\$ 86,517,186	\$ 90,454,850	\$ 98,670,748	\$ 103,325,534	\$ 4,654,786	4.72%
Shared Expenses		\$ 44,044,663	\$ 45,849,851	\$ 51,710,920	\$ 53,970,128	\$ 2,259,208	4.37%
Municipal Operating		\$ 32,227,123	\$ 33,006,858	\$ 34,602,493	\$ 35,375,059	\$ 772,566	2.23%
Total		\$ 162,788,971	\$ 169,311,560	\$ 184,984,161	\$ 192,670,721	\$ 7,686,560	4.16%

Section I Budget Overview

Town of Lexington, Massachusetts

Program Summary

		A	B	C	F	G	H
						(F-C)	(G/C)
Element	Description	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Change \$	Change %
Capital							
Capital Requests (Cash-GF)		\$ 3,524,891	\$ 2,190,082	\$ 2,905,265			
Building Envelope & Systems Set-Aside		\$ 178,303	\$ 182,760	\$ 187,329			
Streets Set-Aside		\$ 2,254,924	\$ 2,270,145	\$ 2,526,835			
Total Capital		\$ 5,958,118	\$ 4,642,987	\$ 5,619,429			
Capital- Revised Presentation							
Free Cash					\$ 3,350,000		
Tax Levy					\$ 2,737,640		
Other Funding Sources					\$ 94,459		
Total Capital					\$ 6,182,099	\$ 562,670	10.01%
Other							
Unallocated		\$ -	\$ -	\$ -	\$ 618,148	\$ 618,148	-
Set-Aside for Unanticipated Current FY Needs					\$ 200,000	\$ 200,000	-
Set-Aside for Tax Levy Support of Community Center Program (Transfer to Article 5, 2015 ATM)		\$ -	\$ 216,836	\$ 253,007	\$ 220,152	\$ (32,855)	-12.99%
Allocated to Capital Projects Stabilization Fund		\$ 5,910,726	\$ 9,447,832	\$ 6,991,205	\$ 7,690,398	\$ 699,193	10.00%
Senior Service Program		\$ 20,000	\$ 20,000	\$ 30,000	\$ 30,000	\$ -	-
Getting to Net Zero				\$ 40,000	\$ 40,000	\$ -	-
Comprehensive Plan Development		\$ -	\$ -	\$ -	\$ 302,000	\$ 302,000	-
OPEB Trust Fund		\$ 1,119,000	\$ 1,200,000	\$ 1,512,318	\$ 1,829,721	\$ 317,403	20.99%
Warrant Articles			\$ 20,000		\$ -	\$ -	-
Total Other Articles		\$ 7,049,726	\$ 10,904,668	\$ 8,826,530	\$ 10,930,419	\$ 2,103,889	23.84%
General Fund Total		\$ 175,796,815	\$ 184,859,215	\$ 199,430,120	\$ 209,783,239	\$ 10,353,119	5.19%

Note: Line-Items marked with an asterisk (*) will be presented at Town Meeting as Continuing Balance accounts.

Section I Budget Overview

Town of Lexington, Massachusetts

Program Summary

Program Summary		A	B	C	F	G	H
						(F-C)	(G/C)
Element	Description	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Change \$	Change %
Enterprise Funds							
3600	Water Enterprise	\$ 8,394,546	\$ 9,004,927	\$ 9,861,480	\$ 9,869,784	\$ 8,304	0.08%
3700	Sewer Enterprise	\$ 8,928,944	\$ 8,497,733	\$ 8,892,849	\$ 9,182,509	\$ 289,660	3.26%
5200	Recreation Enterprise	\$ 1,739,367	\$ 2,210,425	\$ 2,626,287	\$ 2,725,114	\$ 98,826	3.76%
	Cash Capital - Enterprise	\$ 2,054,000	\$ 2,667,500	\$ 463,000	\$ 2,440,000	\$ 1,977,000	427.00%
Total Enterprise Funds (Oper. Exp. ONLY)		\$ 21,116,857	\$ 22,380,585	\$ 21,843,616	\$ 24,217,407	\$ 2,373,791	10.87%
Revolving Funds							
1100	School Bus Transportation	\$ 559,061	\$ 946,213	\$ 1,050,000	\$ 1,150,000	\$ 100,000	9.52%
2400	Public Facilities Revolving Fund	\$ 388,275	\$ 472,443	\$ 458,835	\$ 473,077	\$ 14,242	3.10%
3100	Regional Cache - Hartwell Avenue	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	-
3320	Tree (DPW-Forestry)	\$ 24,823	\$ 40,421	\$ 45,000	\$ 45,000	\$ -	-
3330	Burial Container (DPW-Cemetery)	\$ 29,060	\$ 36,340	\$ 40,000	\$ 40,000	\$ -	-
3420	Compost Operations (DPW-Rec.)	\$ 452,501	\$ 607,842	\$ 612,287	\$ 686,675	\$ 74,388	12.15%
3420	MHHP Operations	\$ 147,420	\$ 147,872	\$ 180,000	\$ 180,000	\$ -	-
6120	Senior Services	\$ 45,701	\$ 28,414	\$ 75,000	\$ 50,000	\$ (25,000)	-33.33%
7140	Health Programs	\$ 12,447	\$ 13,810	\$ 14,000	\$ 14,000	\$ -	-
7320	Tourism/ Liberty Ride	\$ 201,735	\$ 200,317	\$ 284,174	\$ 284,174	\$ -	-
7340	Visitor Center	\$ 82,595	\$ 188,674	\$ 190,231	\$ 201,618	\$ 11,387	5.99%
8140	PEG Access	\$ 430,031	\$ 528,974	\$ 565,000	\$ 570,086	\$ 5,086	0.90%
Total Revolving Funds		\$ 2,375,318	\$ 3,212,677	\$ 3,524,526	\$ 3,704,629	\$ 180,103	5.11%
Community Preservation Act (CPA)							
	CPA Cash Capital	\$ 3,156,653	\$ 5,045,801	\$ 1,337,368	\$ 3,186,142	\$ 1,848,774	138.24%
	CPA Debt Service	\$ 1,600,807	\$ 1,000,960	\$ 3,289,721	\$ 2,390,998	\$ (898,723)	-27.32%
	CPA Other (Projects & Admin.)	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ -	0.00%
Total CPA		\$ 4,907,460	\$ 6,196,761	\$ 4,777,089	\$ 5,727,140	\$ 950,051	19.89%
Grants							
	Grants & Subsidies (MBTA & Elder Affairs)	\$ 103,184	\$ 123,082	\$ 133,060	\$ 135,223	\$ 2,163	1.63%
Total Grants		\$ 103,184	\$ 123,082	\$ 133,060	\$ 135,223	\$ 2,163	1.63%

Section I Budget Overview

Town of Lexington, Massachusetts

Program Summary

Program Summary		A	B	C	F	G (F-C)	H (G/C)
Element	Description	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Change \$	Change %
Exempt Debt (Net of Capital Stabilization Fund Mitigation)							
Municipal		\$ 1,949,180	\$ 1,904,638	\$ 1,459,125	\$ 1,168,065	\$ (291,061)	-19.95%
School		\$ 5,474,152	\$ 6,420,058	\$ 6,871,060	\$ 8,089,573	\$ 1,218,513	17.73%
Total Exempt Debt		\$ 7,423,332	\$ 8,324,697	\$ 8,330,185	\$ 9,257,637	\$ 927,452	11.13%
Reconciliation							
Education		\$ 86,517,186	\$ 90,454,850	\$ 98,670,748	\$ 103,325,534	\$ 4,654,786	4.72%
Shared Expenses		\$ 44,044,663	\$ 45,849,851	\$ 51,710,920	\$ 53,970,128	\$ 2,259,208	4.37%
Municipal		\$ 32,227,123	\$ 33,006,858	\$ 34,602,493	\$ 35,375,059	\$ 772,566	2.23%
Capital		\$ 5,958,118	\$ 4,642,987	\$ 5,619,429	\$ 6,182,099	\$ 562,670	10.01%
Other		\$ 7,049,726	\$ 10,904,668	\$ 8,826,530	\$ 10,930,419	\$ 2,103,889	23.84%
Enterprise		\$ 21,116,857	\$ 22,380,585	\$ 21,843,616	\$ 24,217,407	\$ 2,373,791	10.87%
Revolving Funds & Grants		\$ 2,478,502	\$ 3,335,759	\$ 3,657,586	\$ 3,839,852	\$ 182,266	4.98%
CPA		\$ 4,907,460	\$ 6,196,761	\$ 4,777,089	\$ 5,727,140	\$ 950,051	19.89%
Exempt Debt		\$ 7,423,332	\$ 8,324,697	\$ 8,330,185	\$ 9,257,637	\$ 927,452	11.13%
Totals		\$ 211,722,966	\$ 225,097,017	\$ 238,038,596	\$ 252,825,275	\$ 14,786,679	6.21%

Section II: Revenues



Section II: Revenues

This section includes detailed information about FY2018 Projected Revenues. It includes:

- General Fund Revenue Description II-2

Section II Revenues

Town of Lexington, Massachusetts

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 FY2018 whose sources recur annually. Total General Fund Revenues include annually recurring and non-recurring sources of revenue. Net General Fund Revenues are Total General Fund Revenues less revenues recommended to be set-aside to fund designated expenses. In FY2018, Total General Fund Revenues are projected to increase by approximately \$9.9 million, or 4.9%. Net General Fund Revenues, those available to support school and municipal operating budgets, are projected to increase by \$10.3 million, or 5.6%.

General Fund Revenue Summary	FY2015 Actual	FY2016 Actual	FY2017 Recap	FY2018 Projected	FY2017-18 Change	
					\$	%
Property Tax Levy (Table 1)	\$ 148,212,539	\$ 154,750,150	\$ 161,865,816	\$ 168,509,344	\$ 6,643,528	4.1%
State Aid (Table 2)	\$ 11,193,462	\$ 11,568,637	\$ 13,317,118	\$ 13,552,552	\$ 235,434	1.8%
Local Receipts (Table 3)	\$ 15,325,125	\$ 15,776,739	\$ 11,567,308	\$ 12,164,750	\$ 597,442	5.2%
Local Receipts not shown on Recap	\$ -		\$ 472,232		\$ (472,232)	-
Total Local Receipts	\$ 15,325,125	\$ 15,776,739	\$ 12,039,540	\$ 12,164,750	\$ 125,210	1.0%
Available Funds (Table 4)	\$ 11,012,293	\$ 15,654,839	\$ 11,995,171	\$ 15,541,028	\$ 3,545,857	29.6%
Other Available Funds - Use of Capital Stabilization Fund (Table 4a)	\$ 919,000	\$ 620,567	\$ 710,000	\$ 324,500	\$ (385,500)	-54.3%
Revenue Offsets (Table 5)	\$ (2,492,221)	\$ (2,905,154)	\$ (1,654,429)	\$ (1,983,047)	\$ (328,618)	19.9%
Enterprise Receipts (Table 6)	\$ 1,487,905	\$ 1,617,576	\$ 1,629,135	\$ 1,674,112	\$ 44,977	2.8%
Total General Fund Operating Revenues	\$ 185,658,103	\$ 197,083,353	\$ 199,902,352	\$ 209,783,239	\$ 9,880,887	4.9%
Less - Revenues Set-Aside for Designated Purposes	\$ 14,405,660	\$ 16,348,222	\$ 15,189,559	\$ 14,746,620	\$ (442,939)	-2.9%
Net General Fund Revenues	\$ 171,252,443	\$ 180,735,132	\$ 184,712,793	\$ 195,036,619	\$ 10,323,826	5.6%

Detailed Description:

Property Tax Levy: The FY2018 property tax levy is projected to increase approximately \$6.6 million, or 4.1%. The projected levy is a function of the FY2017 levy limit increased by 2.5% per Proposition 2½, plus an increment for new growth. FY2018 new growth will be a function of construction activity for the period July 1, 2016 to June 30, 2017. FY2018 new growth is estimated at \$2,500,000 based on a review of historical data on new growth.

State Aid: The major categories of FY2018 state aid (Chapter 70 and Unrestricted General Government Aid) are projected to increase 2.0% from their FY2017 level, with total state aid projected to increase 1.8%. Final FY2018 state aid numbers will likely be known in June 2017 when the Legislature adopts, and the Governor signs, the FY2018 State budget. Of note is that the Governor's budget included a \$2,162,183 (16.5%) increase in Chapter 70 and Unrestricted aid, which is not reflected in the projections thus far since they are preliminary figures.

Local Receipts: FY2018 projections for each category of receipt are based on the history of actual collections and projections of 3 and 5 year historical averages, unless otherwise specified in the supplemental tables of this document. FY2018 local receipts are estimated to increase by approximately \$125,000 or 1% over FY2017 estimates. A contributor to this growth is an increase in the estimate rental revenue to underwrite projected debt service to finance the replacement of the roof at the Munroe Center for the Arts.

Section II Revenues

Town of Lexington, Massachusetts

Revenue Summary					FY17-18 Change	
	FY2015 Actual	FY2016 Actual	FY2017 Recap	FY2018 Projected	\$	%
Table 1: Property Tax Levy						
Tax Levy	\$ 141,843,659	\$ 148,286,733	\$ 154,781,455	\$ 161,960,336	\$ 7,178,880	4.6%
Prop. 2.5%	\$ 3,546,091	\$ 3,709,681	\$ 3,869,536	\$ 4,049,008	\$ 179,472	4.6%
New Growth	\$ 2,896,983	\$ 2,772,633	\$ 3,309,344	\$ 2,500,000	\$ (809,344)	-24.5%
Override/Excess Levy Capacity	\$ (74,194)	\$ (18,897)	\$ (94,519)	NA	\$ 94,519	-100%
Subtotal	\$ 148,212,539	\$ 154,750,150	\$ 161,865,816	\$ 168,509,344	\$ 6,643,528	4.1%
Table 2: State Aid						
Chapter 70	\$ 9,584,428	\$ 9,968,536	\$ 11,631,074	\$ 11,863,695	\$ 232,621	2.0%
Charter School Reimbursement	\$ 1,786	\$ 893	\$ 7,728	\$ 1,790	\$ (5,938)	-76.8%
Unrestricted General Government Aid	\$ 1,363,715	\$ 1,412,809	\$ 1,473,560	\$ 1,503,031	\$ 29,471	2.0%
Veterans' Benefits & Exemptions	\$ 169,557	\$ 139,502	\$ 158,221	\$ 137,500	\$ (20,721)	-13.1%
Offsets (School Lunch & Library)	\$ 73,976	\$ 46,897	\$ 46,535	\$ 46,535	\$ -	0.0%
Subtotal	\$ 11,193,462	\$ 11,568,637	\$ 13,317,118	\$ 13,552,552	\$ 235,434	1.8%
Table 3: Local Receipts						
Motor Vehicle Excise Tax	\$ 4,941,045	\$ 4,953,052	\$ 4,498,469	\$ 4,600,000	\$ 101,531	2.3%
Other Excise	\$ 1,698,096	\$ 1,727,554	\$ 1,425,803	\$ 1,496,000	\$ 70,197	4.9%
Penalties & Interest	\$ 522,301	\$ 595,423	\$ 329,699	\$ 350,600	\$ 20,901	6.3%
PILOT's	\$ 564,588	\$ 569,564	\$ 565,061	\$ 596,000	\$ 30,939	5.5%
Rentals	\$ 287,082	\$ 255,391	\$ 263,378	\$ 321,850	\$ 58,472	22.2%
Departmental-Schools	\$ 601,557	\$ 514,090	\$ 480,807	\$ 450,600	\$ (30,207)	-6.3%
Departmental-Municipal	\$ 1,632,981	\$ 2,386,903	\$ 1,774,274	\$ 1,874,000	\$ 99,726	5.6%
Licenses & Permits	\$ 3,404,491	\$ 2,577,947	\$ 1,622,239	\$ 1,812,570	\$ 190,331	11.7%
Special Assessments	\$ 43,110	\$ 27,645	\$ 19,649	\$ 17,830	\$ (1,819)	-9.3%
Fines & Forfeits	\$ 284,355	\$ 274,569	\$ 288,724	\$ 302,300	\$ 13,576	4.7%
Investment Income	\$ 304,213	\$ 332,126	\$ 299,206	\$ 343,000	\$ 43,794	14.6%
Miscellaneous Non-Recurring	\$ 1,041,307	\$ 1,562,474	\$ -	\$ -	\$ -	-
Local Receipts not shown on Recap	\$ -	\$ -	\$ 472,232	\$ -	\$ (472,232)	-
Subtotal	\$ 15,325,125	\$ 15,776,739	\$ 12,039,540	\$ 12,164,750	\$ 125,210	1.0%
Table 4: Available Funds						
Parking	\$ 335,000	\$ 395,000	\$ 625,265	\$ 385,000	\$ (240,265)	-38.4%
Cemetery Perpetual Care Fund	\$ 105,000	\$ 105,000	\$ 105,000	\$ 48,500	\$ (56,500)	-53.8%
Cemetery Sale of Lots Fund	\$ -	\$ -	\$ -	\$ 42,200	\$ 42,200	-
Free Cash	\$ 9,380,309	\$ 13,087,810	\$ 9,870,618	\$ 14,087,869	\$ 4,217,251	42.7%
Health Claims Trust Fund	\$ 1,000,000	\$ 1,858,947	\$ 1,200,000	\$ 750,000	\$ (450,000)	-37.5%
Transp.Demand Mgmt. Stab. Fund	\$ 88,000	\$ 137,000	\$ 137,000	\$ 141,000	\$ 4,000	2.9%
Traffic Mitigation Stabilization Fund	\$ -	\$ -	\$ 30,000	\$ -	\$ (30,000)	-
Center Improvement District Stabilization	\$ -	\$ -	\$ -	\$ 27,000	\$ 27,000	-
Munroe Cemetery Fund	\$ -	\$ -	\$ -	\$ -	\$ -	-
Avalon Bay School Enrollment Mitigation Fund	\$ 49,096	\$ -	\$ -	\$ -	\$ -	-
Balances from Prior Yr. Capital Articles	\$ 54,888	\$ 71,082	\$ 27,288	\$ 59,459	\$ 32,171	117.9%
Subtotal	\$ 11,012,293	\$ 15,654,839	\$ 11,995,171	\$ 15,541,028	\$ 3,545,857	29.6%
Table 4a: Other Available Funds						
Capital Stabilization Fund	\$ 919,000	\$ 620,567	\$ 710,000	\$ 324,500	\$ (385,500)	-54.3%
Subtotal	\$ 919,000	\$ 620,567	\$ 710,000	\$ 324,500	\$ (385,500)	-54.3%
Table 5: Revenue Offsets						
Cherry Sheet Assessments	\$ (811,754)	\$ (817,550)	\$ (856,533)	\$ (886,512)	\$ (29,979)	3.5%
Cherry Sheet Offsets	\$ -	\$ -	\$ -	\$ -	\$ -	-
School Lunch	\$ (26,514)	\$ -	\$ -	\$ -	\$ -	-
Public Libraries	\$ (47,462)	\$ (46,897)	\$ (46,535)	\$ (46,535)	\$ -	0.0%
Overlay (abatements)	\$ (953,485)	\$ (750,000)	\$ (751,361)	\$ (750,000)	\$ 1,361	-0.2%
Health Withholding Account Deficit	\$ -	\$ (647,057)	\$ -	\$ -	\$ -	-
Snow Deficit	\$ (653,006)	\$ (643,650)	\$ -	\$ (300,000)	\$ (300,000)	-
Subtotal	\$ (2,492,221)	\$ (2,905,154)	\$ (1,654,429)	\$ (1,983,047)	\$ (328,618)	19.9%
Table 6: Enterprise Receipts						
Water	\$ 789,275	\$ 898,614	\$ 877,411	\$ 872,458	\$ (4,953)	-0.6%
Wastewater (Sewer)	\$ 465,030	\$ 478,354	\$ 503,898	\$ 546,827	\$ 42,929	8.5%
Recreation	\$ 233,600	\$ 240,608	\$ 247,826	\$ 254,826	\$ 7,000	2.8%
Subtotal	\$ 1,487,905	\$ 1,617,576	\$ 1,629,135	\$ 1,674,112	\$ 44,977	2.8%
Gross General Fund Revenues	\$ 185,658,103	\$ 197,083,353	\$ 199,902,352	\$ 209,783,239	\$ 9,880,887	4.9%
Revenues Set Aside for Designated Expenses	\$ 14,405,660	\$ 16,348,222	\$ 15,189,559	\$ 14,746,620	\$ (442,939)	-2.9%
Net General Fund Revenues Available for Appropriation	\$ 171,252,443	\$ 180,735,132	\$ 184,712,793	\$ 195,036,619	\$ 10,323,826	5.6%

Available Funds: Available Funds are projected to increase by approximately \$3.55 million or 29.6%. This increase represents a net change driven by –

- a \$4.2 million increase in free cash based on the July 1, 2016 free cash certification as compared to the amount that was appropriated to support the FY2017 budget;
- a decrease of \$450,000 in the proposed use of the Town's Health Claims Trust Fund to underwrite the Town's share of FY2018 GIC premiums. In FY2018, it is proposed that \$750,000 be used for this purpose thus freeing up \$750,000 in the tax levy to continue progress in funding the Town's OPEB liability;
- a \$240,000 decrease in the use of parking meter funds representing a one-time use of this amount in FY2017 to complete the replacement of downtown parking meters; and
- a \$56,500 decrease in the use of the balance from the Cemetery Fund due to a trend of declining balances in that Fund.

Another component of Available Funds is the proposed use of \$141,000 of the Transportation Demand Management Stabilization Fund to finance the Lexpress service and the Town's contribution to the REV Shuttle. In FY2017, \$710,000 was appropriated from the Capital Stabilization Fund to fund the ongoing mitigation of the debt service impacts of the financing of large capital projects including the LHS modular classrooms construction. It is proposed that \$324,500 be appropriated in FY2018 to continue mitigation of debt service to hold increases to a 5% target.

Revenue Offsets: Revenue Offsets are projected to increase by approximately \$329,000 or 19.9%. Revenue Offsets represent the set-aside of a portion of projected revenues needed 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. Cherry Sheet Assessments assume a 3.5% increase in FY2018;
- (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 FY2018 increase in total revenue offsets is driven by the set-aside of \$300,000 in estimated FY2018 revenue to cover a potential snow and ice deficit at the end of FY2017. No such deficit occurred in FY2016.

Enterprise Receipts: Enterprise Receipts are increasing by 2.8%, or \$44,977 based on an updated indirect cost analysis. 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.

Section II Revenues

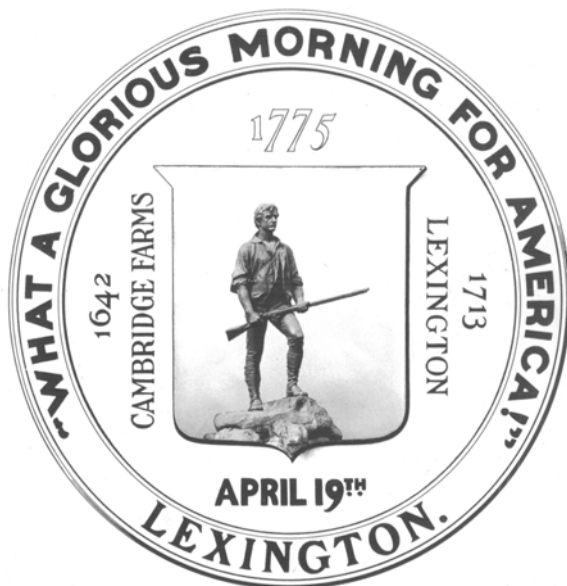
Town of Lexington, Massachusetts

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 2017 annual town meeting to fund supplemental appropriations to the FY17 budget.
2	Other Post-Employment Benefits (OPEB)	\$ 750,000	\$ 1,079,721	\$ -	\$ 1,829,721	\$750,000 from the tax levy made available from the proposed use of this amount from the Health Insurance Claims Trust Fund to fund FY18 Health Insurance.
3	Unallocated	\$ -	\$ 618,148	\$ -	\$ 618,148	Set-aside for as yet identified FY18 purposes.
4	Cash Capital	\$ -	\$ 3,350,000	\$ 94,459	\$ 3,444,459	
5	Capital Stabilization Fund	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000	To meet future capital/debt service needs.
6	Appropriate From Capital Stabilization Fund	\$ -	\$ -	\$ 324,500	\$ 324,500	Proposed use of Capital Stabilization Fund to hold debt service increases to 5% annually.
7	Street Improvement Program	\$ 2,542,927	\$ -	\$ -	\$ 2,542,927	Consistent with long-term street maintenance plan.
8	Municipal Building Envelope and Systems	\$ 194,713	\$ -	\$ -	\$ 194,713	Initially funded in 2006 override; increases by 2.5% per year.
9	Senior Service Program	\$ 30,000	\$ -	\$ -	\$ 30,000	Tax work-off program.
10	Warrant Articles		\$ 40,000	\$ -	\$ 40,000	Getting to Net Zero
11	Set-Aside for Tax Levy Support of Community Center Program (Transfer to Article 5)	\$ 220,152	\$ -	\$ -	\$ 220,152	
12	Comprehensive Plan Development	\$ 302,000	\$ -		\$ 302,000	
13	Subtotal	\$ 4,039,792	\$ 10,287,869	\$ 418,959	\$ 14,746,620	
14	Operating Budget		\$ 3,800,000		\$ 3,800,000	\$3,800,000 of Free Cash to support the FY18 operating budget.
15	Grand Total	\$ 4,039,792	\$ 14,087,869	\$ 418,959	\$ 18,546,620	

Section III: Education

Program 1000



Lexington Public Schools
Minuteman Regional High School

Section III: Program 1000: Education

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for education. It includes:

- 1100 Lexington Public Schools III-2
- 1200 Minuteman Regional High School III-10

Mission/Vision Statement: The Lexington Public Schools serve to inspire and empower every student to become a lifelong learner prepared to be an active and resilient citizen who will lead a healthy and productive life. Educators, staff, parents, guardians and community members will honor diversity and work together to provide all students with an education that ensures academic excellence in a culture of caring and respectful relationships.

The Lexington Public Schools is responsible for providing a high-quality education program to all school age residents residing within the boundaries of the Town of Lexington. Lexington Public Schools focuses on continuous improvement and strives to be a collaborative, high-performing District. This helps ensure that its mission is met and all students are successful. In order to support the curriculum, a myriad of support services are provided daily to our students. The school system provides competitive student-teacher ratios; programs such as arts, music, drama, physical education, wellness, athletics, world language, school counseling, interventions, enrichments, advanced placements; individualized education plan supports; and various specialists and coaches throughout the District.

Budget Guidelines: On September 6, 2016, the School Committee voted the FY2017-18 budget guidelines and requested that the Superintendent present a level-service budget that addresses the twelve highlighted areas. These guidelines serve as the basis for the Superintendent's Recommended Budget in FY2017-18. For purposes of clarification, a level-service budget is defined as 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 FY2017-18 budget guidelines are as follows:

In order to provide for the educational needs of Lexington students, the Superintendent will develop a fiscal year 2018 budget that will:

1. Ensure all legal and contractual mandates will be met.
2. Include sufficient operating and capital funds to –
 - (a) continue the current level of services;
 - (b) be responsive to projected enrollment growth and corresponding needs: staffing, instructional supplies, and facility needs;
 - (c) move the district forward in meeting the increasing demands for technology and technology services in our different educational settings.
3. Ensure professional staffing guidelines will be met.
4. 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.
5. Continue to identify and plan alternatives that will provide existing services and programs in more cost-effective ways.
6. Identify ways to reduce costs, if there are insufficient monies available to fund a level-service budget.

1100 Lexington Public Schools

Town of Lexington, Massachusetts

7. Identify funds necessary to implement a central registration process that addresses space needs for all students including any future student assignments, as well as feeder patterns for our middle schools and special education programs.
8. Identify funds necessary to implement a new administrator induction program.
9. Identify funds to support effective special education programs PreK-12, including required program evaluations.
10. Identify funds necessary to address hardware and network impacts for phase-in plan for computer-based MCAS testing.
11. Identify funds necessary to support the implementation of H4406, Dyslexia screening bill.
12. Identify costs associated with changes in school start times.

Recommended Budget and Summary of Significant Budget Changes: On January 31, 2017, the School Committee voted to approve the FY2017-18 budget request for the 2017 Annual Town Meeting. The recommended budget for 2017-18 is \$101,850,333, which requires an additional \$4,557,034. The FY2017-18 request represents an increase of 4.68% over the FY2016-17 appropriation.

Appropriation Summary	FY 14 Actual	FY 15 Actual	FY 16 Actual	FY 2017 Budget	FY 2017 Budget (adj)	FY 2018 Recommended	Dollar Increase	Percent Increase
Salary and Wages	\$ 68,264,740	\$ 73,057,650	\$ 76,222,211	\$ 81,785,398	\$ 83,074,346	\$ 85,948,669	\$ 2,874,323	3.46%
Expenses	\$ 11,700,076	\$ 12,215,151	\$ 13,059,908	\$ 15,507,901	\$ 14,218,953	\$ 15,706,513	\$ 1,487,560	10.46%
Total 1100 Lexington Public Schools	\$ 79,964,816	\$ 85,272,801	\$ 89,282,114	\$ 97,293,299	\$ 97,293,299	\$ 101,655,182	\$ 4,361,883	4.48%
* 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 Undassified (Health, Medicare, Workers Comp) \$ 195,151	12.30 FTE	
						Total Recommended \$ 101,850,333	\$ 4,557,034	4.68%
						Unallocated from Revenue Allocation Model \$ 1,875,479		

As described above, the total recommended budget increase is 4.68% over the FY2016-17 appropriation, inclusive of benefits, Medicare, and Workers' Comp costs associated with new positions. For comparison, the FY2016-17 budget recommended an increase of 6.16% (\$5,666,900) above the FY2015-16 appropriation, inclusive of benefits, Medicare, and Worker's Comp costs associated with new positions.

The FY2017-18 budget recommends that the salaries and wages line increase by \$2,874,041 (or 3.46%) to support the addition of 12.30 FTE included in this budget. For comparison, the FY2016-17 budget recommended an increase of \$3,158,074 (or 4.02%) to accommodate the recommended increase of 30.00 FTE.

The expense line is recommended to increase by \$1,487,560 (or 10.46%) over the FY2016-17 appropriation. The increase in the expense budget is largely driven by three main factors. These include the increases in the Regular Ed Transportation, Special Ed Transportation, and Out-of-District

1100 Lexington Public Schools

Town of Lexington, Massachusetts

Tuition budget lines. These three budget lines are recommended to increase by \$1,225,216. This is approximately 82.4% of the recommended expense budget increase. The remaining 17.6% of the increase (\$262,344) is a function of per-pupil adjustments, cost of living adjustments, and other minor expense requests. For comparison, the FY2016-17 budget recommended an increase of \$2,074,909 (or 15.45%).

The major drivers in the recommended school budget are a result of the following explained in further detail:

Negotiated Salary Increases: The FY2017-18 budget includes funding for all negotiated bargaining unit increases and non-union positions. This includes both step increases and cost of living adjustments (COLA). Estimated amounts are used for both contracts that remain unsettled as well as non-bargaining units. The current status of collective bargaining agreements and corresponding expiration dates can be seen below:

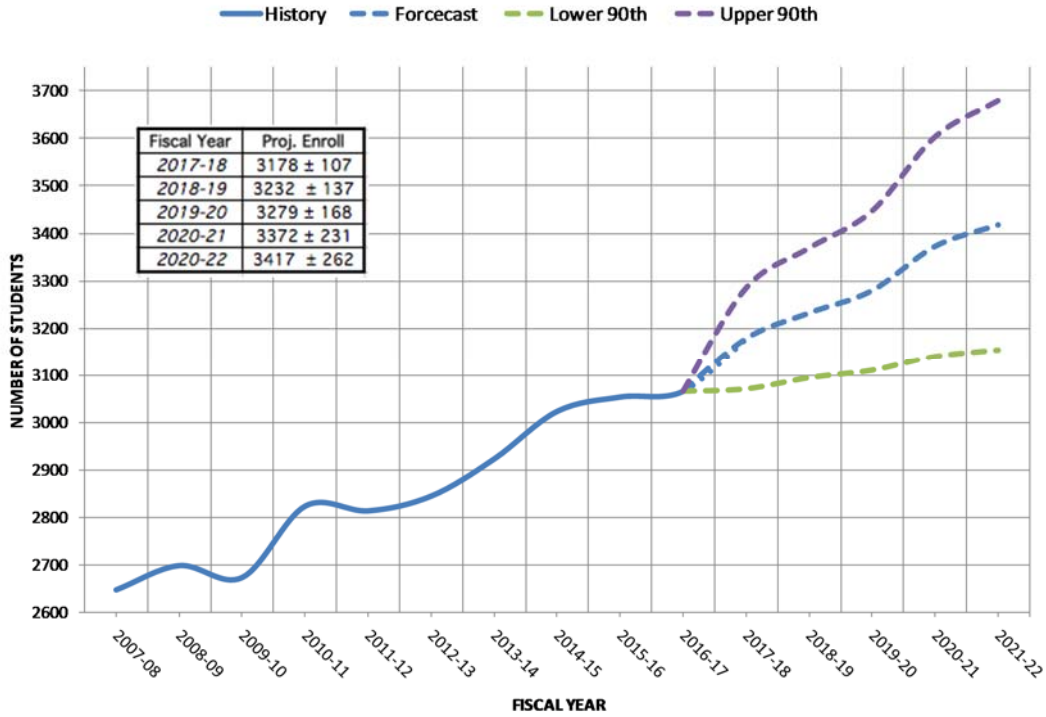
Bargaining Unit	Contract Term
LEA - Unit A	09/1/15-8/31/18
LEA - Unit C	09/01/15-08/31/18
LEA - Unit D	07/01/15-06/30/18
LEA - Tech	07/01/15-06/30/18
ALA - Administrators	07/01/15-06/30/17

Enrollment Increases and Corresponding New Positions: During the past five years, K-12 enrollment at Lexington Public Schools has increased by 620 students (+9.7%), or an average of 124 students per year (1.9% per year). These past increases have had a direct impact on the School Department operating budget each year to accommodate these new students and maintain the level of programming offered by Lexington Public Schools.

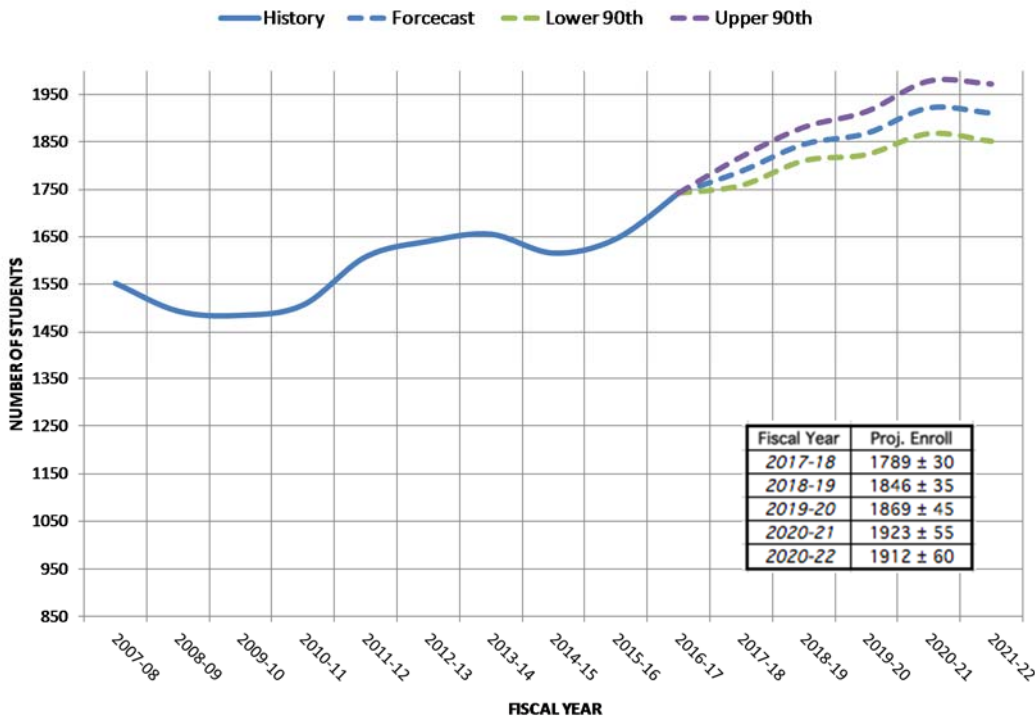
The District has completed an updated version of the Lexington Public School Enrollment Projections based on the Enrollment Advisory Group’s methodology. The updated projections are generally higher than the last year’s projections with generally narrower confidence intervals. These projections show that next year, the K-12 enrollment is projected to increase by 169 students (6,994 to 7,163), which is an increase of 2.42%. Over the full five year period the projection shows a total increase of 802 students (for a total of 7,796 students; or 11.5% higher than current levels) from FY2016-17 levels (about 2.3% per year).

In order to better demonstrate the full impact of increasing enrollment to date and the projected trends visually at the various levels (elementary, middle school, high school) three charts have been provided below:

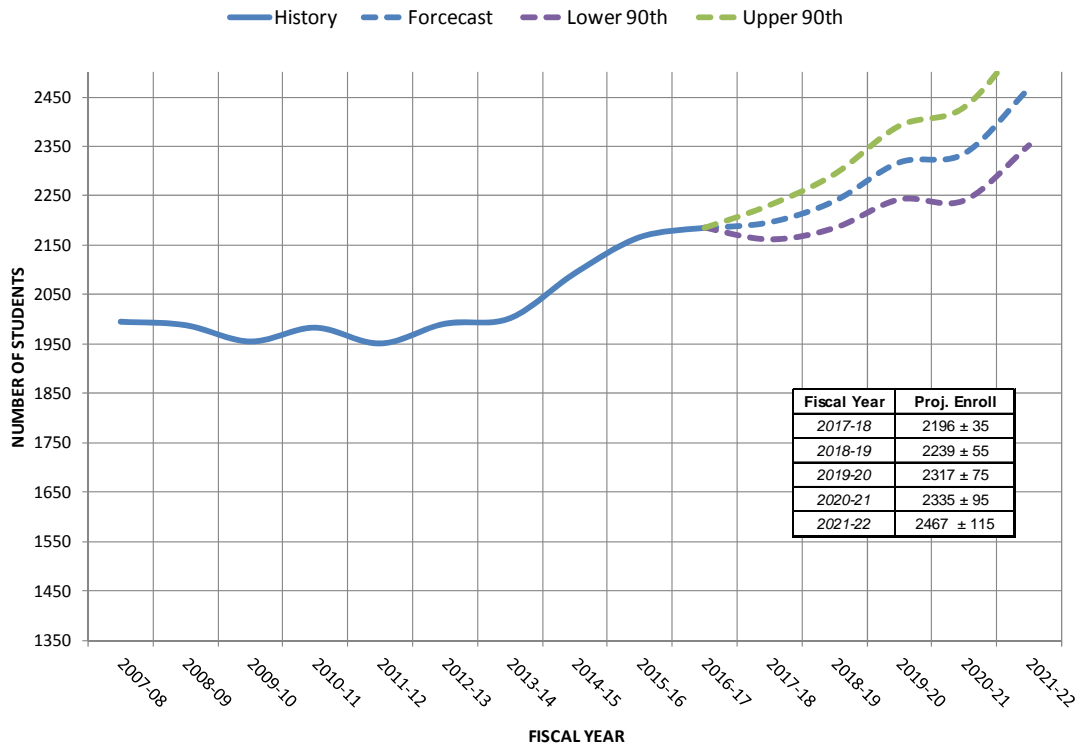
Elementary School Enrollment: History and Forecast for FY2018 to FY2022 (HDM)



Middle School Enrollment: History and Forecast for FY2018 to FY2022 (CSM)



High School Enrollment: History and Forecast for FY2018 to FY2022 (CSM)



In order to address the increasing enrollment projected for FY2017-18 (169 students, or 2.42%), additional positions are included in the recommended budget. A total of 10.27 FTE are linked with the increasing enrollment in Lexington, and the necessary staffing needed to maintain the quality and level of service. In total, the recommended increase in staffing for the 2017-18 budget year is 12.30 FTE.

Special Education Costs: The FY2017-18 budget includes an increase of \$762,240 to fund the cost of out-of-district tuitions next year. While the overall average cost for an out-of-district tuition placement is projected fairly flat, there was an overall increase in total number of projected students to be placed out of district (133 students to 138 students). Additionally, the District is projecting a reduction in the Circuit Breaker claim amount due to students graduating, aging out of the system, or relocating out of the district. Circuit Breaker claims function on a one-year lag, which means that FY2016-17’s expenditures will be reimbursed during the FY2017-18 budget year. It is important that the District adjust its projected reimbursement based on known changes to students both in-district and out-of-district.

The FY2017-18 budget includes a reduction of 1.49 FTE for the Special Education Department. While overall District enrollment and staffing is growing, the Special Education Department resulted in a net decrease in overall staffing needs next year. This is the result of diligent review of staffing needs at all levels during the budget process ensuring that positions are re-assigned based on shifts in student enrollment. Positions are only being added where necessary and are being transferred/re-assigned based on overall District need. This is demonstrated in the Base Changes section of the *Recommended Budget* section of the School Committee’s Budget document.

Transportation Costs

Regular Education Transportation - Regular Education Transportation is recommended to increase \$346,080 to address increases in enrollment. The ridership projections used to develop the FY2016-17 transportation budget were exceeded, which resulted in the addition of three buses to address overcrowding and increases in ridership. The FY2017-18 budget accommodates these additional buses added in FY2016-17, the ability to add an additional 3 buses in FY2017-18, as well as accommodate contractual rate increases. FY2017-18 is the first year of a five-year agreement with C&W Transportation.

Special Education Transportation - Special Education Transportation is recommended to increase \$116,896 to address additional service needs for in-district transportation for expanding in-district programs, additional out of district student transportation, and anticipated increases in contract rates. FY2017-18 is the third year of a five year agreement.

Capital Projects

School Department Capital - The FY2017-18 budget includes a total of \$1,529,900 in recommended Capital projects through the Town Capital Improvement Plan. Of this amount, \$75,000, will be funded through the School Lunch Program's Revolving fund and \$1,454,900 will be funded through General Fund sources. The total capital request is comprised of three sections: Food Service Equipment; School Furniture, Equipment, and Systems; and School Technology Capital. Food Service equipment needs to be maintained and replaced regularly to ensure that service levels are met within the program. Administration is currently working with a vendor to inventory all assets under the program to better develop a five-year Capital and Preventative Maintenance Program. Purchasing furniture, equipment, and systems in each of our school buildings is critical to ensuring students and staff have proper furniture and equipment to deliver instruction. The administration is currently developing an inventory system and will work with Principals to develop a more detailed 5-year replacement cycle to identify future fluctuations more accurately. The investment in replacing aging technology equipment and systems as well as investing in future needs/demand is critical to a school system functioning in the 21st century. State requirements, including online testing for the MCAS, require the District to make investments in Technology to ensure a smooth transition. The administration assembled an Educational Technology Task Force to develop a multi-year plan, as described later in this section.

Public Facilities Capital - The FY2017-18 budget includes a number of projects to continue addressing District capacity and safety concerns. The budget includes projects to ensure our current assets are properly maintained; are used to their maximum extent possible; are safe for both students and staff; and have sufficient long-term capacity to address our continued enrollment growth. The District is currently undergoing major construction projects at both middle schools to expand capacity, which will be available in the fall of 2017. Further, two modulars are being added to Bowman, Bridge, and Fiske each for a total of six modulars, which will be completed in the late spring of 2017. The Town is currently partnering with Massachusetts School Building Authority (MSBA) to address the aging Maria Hastings Elementary School facility, working towards a 30-section elementary school able to accommodate 645 students. Also, most recently, the location of the Lexington Children's Place (LCP) has been identified as preferred at the 20 Pelham Rd. property, which is adjacent to the new Community Center allowing for joint School/Municipal use of the property. This project would allow for the LCP to vacate the current Harrington/Central Office location providing

additional needed capacity for the Harrington Elementary School. Longer term discussions have begun to address the continued growth at the aging Lexington High School facility. The original HVAC project has been significantly reduced based on project cost increases and long-term capacity concerns. Enrollment projections continue to show this site growing further strained in the coming years. Long-term planning to address space needs for this location continue to move forward.

Federal Grants: The FY2017-18 School Department budget includes \$207,282 for the potential reduction of Federal Grants based on the change in administration at the federal level. This set-aside represents about 10% of the current federal grant awards received by the District. At this time, there is no firm indication that the administration is aware of that federal grant programs will experience any significant reductions. In consultation with the Town, in addition to the 10% set-aside previously described, the administration feels it has identified sufficient reserves to address additional reductions in grant awards.

Central Registration: The FY2017-18 School Department budget includes staffing for the full implementation of Central Registration district-wide (PreK-12). Staff are currently implementing phase 1 of the Central Registration process spanning PreK-5 registrations, which began successfully in February 2017. This initial phase includes the procurement of Registration Gateway to process all registrations electronically; the establishment and outfitting of the Lexington Public Schools Central Registration Welcome Center at Central Office; and staffing to process registrations beginning in January 2017 for incoming families PreK-5. The FY2016-17 budget dedicated 2.0 FTE to launch this first phase. This includes a 1.0 FTE Registration and Enrollment Specialist and a 1.0 FTE Administrative Assistant dedicated to Central Registration. These positions were funded within the FY2016-17 budget allocation approved by School Committee. The FY2017-18 budget includes an additional 1.50 FTE dedicated to Central Registration. These increases were also funded within the School Committee's approved FY2016-17 FTE levels (0.50 FTE transferred from Bowman and 0.50 FTE from Bridge). The additional staffing will support the full implementation of Central Registration spanning PreK-12. Funding is also included for the continued support of Registration Gateway.

Central Registration will allow for a consistent registration process and residency verification to take place. Ensuring families are legal residents before enrolling in the Lexington Public School is critically important. The addition of a Residency Officer will help ensure that these requirements are met and monitored regularly. By centralizing the registration process for the whole district this will allow for improved data collection, data consistency, and data accuracy, which is critically important to operating an efficient and accountable school system.

Administrator Induction Program: The FY2017-18 School Department budget includes funding for stipends to compensate mentors as part of the Administrator Induction Program implemented during the 2016-17 budget year.

Educational Technology Task Force: During the FY2016-17 budget year, the Director of Educational Technology convened a task force to develop a multi-year plan to address the long-term needs of the District and ensure strategic planning is part of the decision making process for Technology. This report will better inform the planning process for both the District's Capital and Operating budgets going forward.

Online MCAS Testing: In FY2016-17, MCAS testing for Grades 4 and 8 is being conducted online. The School Department is able to address the device needs within its existing appropriation. The

development of the FY2017-18 budget accounted for these on-going impacts as well as year 2's implementation of web-based MCAS testing for Grade 5 and 7. Funding is included in both the FY2017-18 Capital and Operating budget to accommodate these unfunded mandates.

Dyslexia Screening Bill: During the FY2016-17 year, the Curriculum and Special Education Departments are piloting methods/systems to address the Dyslexia screening bill currently being reviewed and revised by the Massachusetts Legislature. The latest draft of this Dyslexia Screening Bill (H4406) was last reported favorably and referred to the committee on House Ways and Means. The District has included \$36,450 to address implementation in FY2017-18.

School Start Times: Starting in the beginning of 2017, the administration is assembling a task force to further research the impacts of changing school start times. This work will involve multiple stakeholders, which will continue into the FY2017-18 budget year. These meetings will identify any recommendations for School Committee's consideration and corresponding cost impacts.

Email Communication System: The FY2017-18 School Department budget will implement the final stages of the transition to a new email communication system. During the FY2016-17 budget year, a task force was assembled to evaluate our current email communication system (FirstClass Client). This process involved multiple stakeholders over the course of four months to research available systems such as FirstClass Client, Google (G-Mail), and Office 365. The task force's recommendation was to shift our district-wide email communication system to G-Mail. This recommendation was approved and staff were notified on December 12, 2016. The transition will occur over multiple months and additional funds are included in the K-12 Technology budget to assure a smooth transition.

Per Pupil Expenditure and Consumer Price Index (CPI) Adjustments: The FY2017-18 budget includes funds to adjust expense budgets by a CPI of 2.3%, as published by the Bureau of Labor Statistics, to account for annual increases in costs due to inflation. Additionally, those budgets with per pupil expenditures have been updated based on the official October 1, 2016 enrollment data. The total recommendation to address these increases is \$188,073. A full listing of expense budget changes can be found in the *Recommended Budget* section of the School Committee's budget document. The detailed listing of all expense budgets can be found in the *Expense* section of the School Committee's budget document.

Program Improvement Needs: The FY2017-18 budget includes no additional staffing for program improvements. The Expense budget includes very minor program improvements totaling \$17,780. The detail of these increases can be found in the *Recommended Budget* section of the School Committee's budget document.

Budget Documents are available at <http://lps.lexingtonma.org/Page/9714>.

1200 Minuteman Regional High School*Town of Lexington, MA*

Budget Overview: The Regional School subprogram budget pays for the assessment levied by the Minuteman Regional Vocational Technical School District to support the operations of the School. Minuteman is a regional school, located in Lexington and Lincoln, which provides technical and academic education for students in grades 9-12 from the Minuteman district, which will include 10 towns as of July 1, 2017, and out-of-district students.

Minuteman Tech's programs include courses in biotechnology, environmental technology, computer programming, printing, commercial art, cosmetology, early education, carpentry, drafting, auto body repair and welding, as well as four-year academic and college preparatory programs. In addition, adults 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.

	10/1/2011	10/1/2012	10/1/2013	10/1/2014	10/1/2015	10/1/2016
High School Students	53	53	47	41.5	49.5	54
Post Graduate Students	8	7	5	3	2	1
Total	61	60	52	44.5	51.5	55

Appropriated/Authorized Staffing:

No Town staff are charged to this budget.

Budget Recommendations

The FY2018 recommended budget for the Minuteman Regional School assessment is \$1,670,351. This is a \$292,902 or 21.26% increase over the FY2017 budget, and incorporates approximately \$206,656 in debt service, of which \$82,159 is for the new Minuteman school building, currently in the design phase.

1200 Minuteman Regional High School

Program: Education
Town of Lexington, MA

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Directed Funding (Revolving Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%

Level-Service Requests	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 1200 Minuteman Regional HS	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	-
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual Services	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%
Total 1200 Minuteman	\$ 1,244,384	\$ 1,172,736	\$ 1,377,449	\$ 1,670,351	\$ 292,902	21.26%

Section IV: Shared Expenses

Program 2000



Employee Benefits and Insurance
Debt Service
Reserve Fund
Public Facilities

Section IV: Program 2000: Shared Expenses

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for shared expenses. It includes:

- 2100 Employee Benefits IV-2
- 2200 Debt Service IV-9
- 2300 Reserve Fund IV-12
- 2400 Public Facilities IV-14

2100 Employee Benefits & Insurance *Town of Lexington, Massachusetts*

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, property and casualty insurance, 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 Town 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 Town or School Department employment. The Town self-insures for this expense.
- **Workers' Compensation:** The medical costs incurred by Town 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.
- **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.

2100 Employee Benefits & Insurance *Town of Lexington, Massachusetts*

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 and property and liability insurance budgets.

Budget Recommendations:

The FY2018 recommended All Funds Employee Benefits and Insurance budget is \$35,392,823. This is a \$1,714,703 or 5.09% increase from the FY2017 budget. The recommended budget includes the benefits costs (health, dental, life, Medicare and workers' compensation) for two proposed new benefits-eligible municipal positions.

Changes Include:

1. A \$250,000, or 4.54% increase in Contributory Retirement based on a funding schedule included in the January 1, 2016 actuarial valuation of the Lexington Retirement System. This schedule would result in full funding of the system's unfunded liability by 2024.
2. A \$783 or 5.66% increase in Non-Contributory Retirement costs for employees receiving pensions awarded prior to the creation of the Contributory Retirement system.
3. A \$193,466 or 12.44% increase in the Town's contribution for the Medicare Tax based on FY2016 actual costs, projected FY2017 and FY2018 salaries and wages, and historical rates of increase in this tax. This increase is partially driven by retiring employees who are not covered by Medicare (pre-1986) being replaced by employees covered by Medicare.
4. A \$1,323,608 or 5.59% increase in health insurance costs (All Funds). The FY2018 budget is based on an increase of 8.0% in health insurance premiums across all plans and the projected addition of ninety (90) 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 both new school and new town positions.
5. A \$20,242 or 1.93% increase in dental insurance costs (All Funds) based on an estimated increase in premium rates of 4% for FY2018.
6. No increase in life insurance costs based on projected enrollments.

2100 Employee Benefits & Insurance *Town of Lexington, Massachusetts*

7. Level-funding of unemployment insurance based on a projection of the number of claimants for FY2018.
8. A \$59,471 or 7.95% increase in workers' compensation costs based on FY2016 actual experience, the continuation of \$100,000 to finance the medical costs of former public safety employees who retired due to work-related injuries; the continuation of efforts to build a reserve balance in this continuing balance account; and stop-loss insurance for all current and prospective municipal and school positions recommended in the FY2018 budget;
9. A \$37,281 or 5.51% net increase in the costs of property and liability insurance based on an estimated increase in premiums of 5%.
10. A \$25,000, or 11.11% increase in the budget for uninsured losses. The balance in this continuing balance account as of December 15, 2016 is \$834,292.

2100 Employee Benefits & Insurance *Town of Lexington, Massachusetts*

Budget Summary:

Funding Sources (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 27,098,418	\$ 28,713,663	\$ 32,995,475	\$ 34,627,493	\$ 1,632,018	4.95%
Enterprise Funds (Indirects)	\$ 526,378	\$ 572,252	\$ 609,209	\$ 691,893	\$ 82,685	14.45%
Directed Funding (Revolving Funds)	\$ 83,502	\$ 68,645	\$ 73,437	\$ 73,437	\$ -	0.00%
Total 2100 Employee Benefits	\$ 27,708,298	\$ 29,354,560	\$ 33,678,121	\$ 35,392,823	\$ 1,714,703	5.09%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 91,365	\$ 113,958	\$ 114,501	\$ 121,392	\$ 6,891	6.02%
Expenses	\$ 27,616,933	\$ 29,240,602	\$ 33,563,620	\$ 35,466,582	\$ 1,902,961	6.51%
Total 2100 Employee Benefits	\$ 27,708,298	\$ 29,354,560	\$ 33,678,121	\$ 35,587,973	\$ 1,909,852	5.67%

Level-Service Requests (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 2110 Contributory Retirement	\$ 4,919,154	\$ 5,185,638	\$ 5,505,537	\$ 5,755,537	\$ 250,000	4.54%
Total 2120 Non-Contributory Retirement	\$ 13,447	\$ 13,836	\$ 13,837	\$ 14,620	\$ 783	5.66%
Total 2130 Medicare	\$ 1,404,332	\$ 1,496,653	\$ 1,555,603	\$ 1,749,069	\$ 193,466	12.44%
Total 2130 Health Insurance General Fund	\$ 18,770,557	\$ 20,280,804	\$ 23,614,030	\$ 24,932,984	\$ 1,318,954	5.59%
Total 2130 Health Insurance Non-General Fund	\$ 81,652	\$ 62,577	\$ 65,213	\$ 69,867	\$ 4,654	7.14%
Total 2130 Dental Insurance General Fund	\$ 968,888	\$ 880,312	\$ 1,046,193	\$ 1,066,298	\$ 20,105	1.92%
Total 2130 Dental Insurance Non-General Fund	\$ 1,078	\$ 3,495	\$ 3,432	\$ 3,569	\$ 137	4.00%
Total 2130 Life Insurance	\$ 23,222	\$ 20,210	\$ 25,000	\$ 25,000	\$ -	-
Total 2140 Unemployment	\$ 233,370	\$ 150,561	\$ 200,000	\$ 200,000	\$ -	-
Total 2150 Workers Compensation	\$ 402,508	\$ 490,589	\$ 747,665	\$ 807,136	\$ 59,471	7.95%
Total 2160 Property & Liability Insurance	\$ 802,581	\$ 646,401	\$ 676,612	\$ 713,893	\$ 37,281	5.51%
Total 2170 Uninsured Losses	\$ 87,510	\$ 123,484	\$ 225,000	\$ 250,000	\$ 25,000	11.11%
Total 2100 Employee Benefits	\$ 27,708,298	\$ 29,354,560	\$ 33,678,121	\$ 35,587,973	\$ 1,909,852	5.67%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 91,365	\$ 113,958	\$ 114,501	\$ 121,392	\$ 6,891	6.02%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Compensation</i>	<i>\$ 91,365</i>	<i>\$ 113,958</i>	<i>\$ 114,501</i>	<i>\$ 121,392</i>	<i>\$ 6,891</i>	<i>6.02%</i>
Contractual Services	\$ 27,616,933	\$ 29,240,602	\$ 33,563,620	\$ 35,466,582	\$ 1,902,961	5.67%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Expenses</i>	<i>\$ 27,616,933</i>	<i>\$ 29,240,602</i>	<i>\$ 33,563,620</i>	<i>\$ 35,466,582</i>	<i>\$ 1,902,961</i>	<i>5.67%</i>
Total 2100 Employee Benefits	\$ 27,708,298	\$ 29,354,560	\$ 33,678,121	\$ 35,587,973	\$ 1,909,852	5.67%

Appropriations Summary (General Fund Only)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 91,365	\$ 113,958	\$ 114,501	\$ 121,392	\$ 6,891	6.02%
Expenses	\$ 27,534,203	\$ 29,174,530	\$ 33,494,975	\$ 35,393,145	\$ 1,898,170	5.67%
Total 2100 Employee Benefits	\$ 27,625,569	\$ 29,288,488	\$ 33,609,476	\$ 35,514,536	\$ 1,905,061	5.67%

Appropriations Summary (Non-General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation					\$ -	-
Expenses	\$ 82,730	\$ 66,072	\$ 68,645	\$ 73,437	\$ 4,792	6.98%
Total 2100 Employee Benefits	\$ 82,730	\$ 66,072	\$ 68,645	\$ 73,437	\$ 4,792	6.98%

2100 Employee Benefits & Insurance *Town of Lexington, Massachusetts*

Focus on: Health Benefits – Line Item 2130

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

The Town and the Public Employees Committee (PEC) have negotiated a three (3) year successor agreement to remain in the GIC through Fiscal Year 2018.

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

2100 Employee Benefits & Insurance *Town of Lexington, Massachusetts*

Table 1: Health Insurance Enrollments ⁽¹⁾

				FY2017 Budget	FY2018 Budget
Actual Subscribers				Based on Actual Subscribers, plus Additional Projected Lives shown below	
Subscribers	Nov. 2012 (FY2013)	Nov. 2013 (FY2014)	Nov. 2014 (FY2015)	Nov. 2015 (FY2016)	Nov. 2016 (FY2017)
<u>Town</u>					
Individual	67	74	81	85	83
Family	186	191	187	176	178
subtotal	253	265	268	261	261
<u>School</u>					
Individual	317	333	337	358	333
Family	505	506	498	478	494
subtotal	822	839	835	836	827
<u>Retirees</u>	1,112	1,152	1,189	1,222	1,243
subtotal	2,187	2,256	2,292	2,319	2,331
Additional projected lives for budget purposes					
Position Vacancies					
Individual				8	13
Family				12	20
subtotal				20	33
Estimated Open Enrollment / Qualifying Events ⁽²⁾					
Individual				8	10
Family				28	30
Retirees				50	50
subtotal				86	90
Total	2,187	2,256	2,292	2,425	2,454
New Positions					
School ⁽³⁾				30	12
Municipal ⁽³⁾				1	2
Facilities Dept.				0	3
subtotal				31	17
Estimated Reduction in Subscribers					
School					
Retirees				(35)	(35)
Total	2,187	2,256	2,292	2,421	2,436
(1) The subscriber counts above do not include COBRA subscribers, but include 9 employees who are not General Fund employees.					
(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.					
(3) Based on the budgets as recommended by the Superintendent and Town Manager 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.					

2100 Employee Benefits & Insurance *Town of Lexington, Massachusetts*

Table 2: Health Insurance Budget: FY2013 - 2018

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	Budgeted FY2017	Projected FY2018	Percentage Increase FY2017 to FY2018
Town ⁽¹⁾	\$ 3,397,070	\$ 3,577,673	\$ 3,540,828	\$ 3,521,268	\$ 4,011,598	\$ 4,362,211	8.74%
School ⁽²⁾	\$ 9,851,024	\$ 9,957,423	\$ 9,932,387	\$10,246,365	\$12,167,930	\$13,070,879	7.42%
Retirees	\$ 5,026,524	\$ 5,364,397	\$ 5,207,456	\$ 6,420,186	\$ 7,035,114	\$ 7,406,910	5.28%
Total	\$18,274,618	\$18,899,493	\$18,680,671	\$20,187,820	\$23,214,642	\$24,840,000	7.00%
Mitigation Fund ⁽³⁾	\$ 1,120,000	---	---	---	\$ 300,000	\$ -	---
Early Retiree Reinsurance Program ⁽⁴⁾		\$ (336,492)					
Medicare Part B Penalty ⁽⁵⁾	\$ 101,205	\$ 93,683	\$ 89,886	\$ 92,984	\$ 99,388	\$ 92,984	-6.44%
Net Budget Amount	\$19,495,823	\$18,656,684	\$18,770,557	\$20,280,804	\$23,614,030	\$24,932,984	5.59%

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

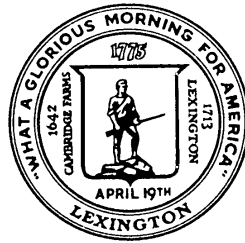
(2) FY2018 does not include costs of benefits for prospective new positions recommended by the Superintendent or Town Manager.

(3) Mitigation Fund is a one (1) time cost in FY2017 per the agreement between the Town and the Public Employee Committee (PEC).

(4) The Early Retiree Reinsurance Program was a federal grant to employers who provided health insurance to retirees under 65 years old.

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

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2200 Debt Service

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 and temporary borrowing, both authorized by Town Meeting as well as for capital projects being proposed to the 2017 Annual Town Meeting. Also included in these figures are debt issuance costs and interest on abatements. Debt service on water and sewer enterprise projects is shown in elements 3610 and 3710. Debt Service voted to be exempt from Proposition 2½, while not appropriated by Town Meeting, is shown for informational purposes.

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:

Combined gross FY2018 debt service – inclusive of Within-Levy and Exempt debt service – is increasing by \$3,281,029, or 21.13%.

Within-Levy debt service is decreasing by \$46,423, or 0.64%. The original FY2017 appropriation as adopted at the 2016 Annual Town Meeting was \$7,199,028, which was mitigated by \$710,000 from the Capital Stabilization Fund yielding net debt service of \$6,489,028. FY2018 gross debt service (before any use of the Capital Stabilization Fund) is recommended at \$7,152,605 which is inclusive of:

- Two projects that are proposed to be funded with new revenue (Westview Cemetery Building Assessment and a Street Acceptance project); and, therefore, there is no need to mitigate the debt service impact with the use of the Capital Stabilization Fund;
- Four projects that are potential candidates for debt exclusion votes (Fire Station Replacement Design, Supplemental Funds for Hastings Elementary School Design, design funds for improvements to Fire Department swing space at the newly acquired property at 173 Bedford Street, and design funds for space for the Lexington Children's Place (LCP) program); and
- Projected debt service for three prior authorizations that are also candidates for debt exclusion votes (the initial \$1.5 million for Hastings design, and acquisition of properties at 20 Pelham Road (\$8 million) and 173 Bedford Street (\$4.43 million)).

2200 Debt Service

If the anticipated debt exclusion votes are not approved, projected debt service net solely of the two projects proposed to be funded with new revenue is \$7,150,339 which, when mitigated with the proposed use of \$324,500 in Capital Stabilization Funds, yields an increase in net debt service of 5% which is the target rate of increase used in managing within-levy debt service. The FY2018 proposed capital projects are described in greater detail in the Section XI: Capital Investment in this book.

If the projects described above that are candidates for debt exclusion votes are approved, projected debt service of \$7,152,605 decreases to \$6,828,105, which will only require the use of \$96,500 in Capital Stabilization Funds to meet the target of a 5% increase in debt service.

FY2017 gross exempt debt service is \$8,330,185, which did not require mitigation from the Capital Stabilization Fund. FY2018 gross exempt debt service is \$11,657,637. If no mitigation is applied, this yields an increase of \$3,327,452, or 39.94%. The increase in debt service is driven primarily by the debt service for excluded projects approved by the voters in May 2016 including the Clarke and Diamond renovations and the installation of 6 elementary modular classrooms, as well as projected debt service for those projects that are candidates for debt exclusion votes – on the assumption that those votes are successful – including Fire Station Replacement Design, Hastings Elementary School Design, design funds for improvements to Fire Department swing space at the newly acquired property at 173 Bedford Street, design funds for space for the Lexington Children's Place (LCP) program and Community Center space, and funds for the acquisitions of 20 Pelham Road and 173 Bedford Street. To mitigate the impact of this increase on Lexington taxpayers, it is proposed that \$2.4 million of Capital Stabilization Funds be appropriated to offset exempt debt service.

2200 Debt Service

Budget Summary:

Funding Sources (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 15,103,973	\$ 15,415,016	\$ 15,529,213	\$ 18,810,242	\$ 3,281,029	21.13%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Fees & Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total 2200 Debt Service	\$ 15,103,973	\$ 15,415,016	\$ 15,529,213	\$ 18,810,242	\$ 3,281,029	21.13%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 13,853,588	\$ 14,823,816	\$ 15,529,213	\$ 18,810,242	\$ 3,281,029	21.13%
Total 2200 Debt Service	\$ 15,103,973	\$ 15,415,016	\$ 15,529,213	\$ 18,810,242	\$ 3,281,029	21.13%

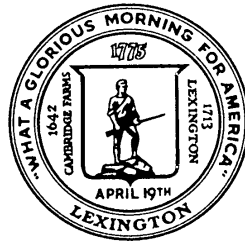
Level-Service Requests (Within Levy Debt)	FY2015 Actual	FY2016 Actual	FY2017 Appropriated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 2210 Within-Levy Principal	\$ 5,490,412	\$ 5,169,842	\$ 5,904,336	\$ 5,596,760	\$ (307,576)	-5.21%
Total 2220 Within Levy Interest	\$ 971,079	\$ 921,553	\$ 1,039,068	\$ 1,156,778	\$ 117,710	11.33%
Total 2230 Temporary Borrowing ¹	\$ 63,129	\$ 649,142	\$ 255,624	\$ 399,066	\$ 143,442	56.11%
Total 2200 Within-Levy Debt Service	\$ 6,524,620	\$ 6,740,537	\$ 7,199,028	\$ 7,152,605	\$ (46,423)	-0.64%
Use of Capital Stabilization Fund to hold debt service increases (net of projects funded with new revenue) to 5% annually	\$ (919,000)	\$ (620,567)	\$ (710,000)	\$ (324,500)	\$ 385,500	-54.30%
Net 2200 Within-Levy Debt Service	\$ 5,605,620	\$ 6,119,970	\$ 6,489,028	\$ 6,828,105	\$ 339,077	5.23%

Level-Service Requests (Exempt Debt)	FY2015 Actual	FY2016 Actual	FY2017 Appropriated	FY2018 Recommended	Dollar Change	Percent Change
Total 2200 Exempt Debt Service	\$ 8,373,332	\$ 8,539,697	\$ 8,330,185	\$ 11,657,637	\$ 3,327,452	39.94%
Use of Capital Stabilization Fund to mitigate impact of excluded debt service on property tax bills	\$ (950,000)	\$ (215,000)	\$ -	\$ (2,400,000)	\$ (2,400,000)	---
Net 2200 Exempt Debt Service	\$ 7,423,332	\$ 8,324,697	\$ 8,330,185	\$ 9,257,637	\$ 927,452	11.13%

Total 2200 Debt Service	\$ 15,103,973	\$ 15,415,016	\$ 15,529,213	\$ 18,810,242	\$ 3,281,029	21.13%
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Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	-
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Compensation</i>	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual Services	\$ 15,103,973	\$ 15,415,016	\$ 15,529,213	\$ 18,810,242	\$ 3,395,226	22.03%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Expenses</i>	\$ 15,103,973	\$ 15,415,016	\$ 15,529,213	\$ 18,810,242	\$ 3,395,226	24.54%
Total 2200 Debt Service	\$ 15,103,973	\$ 15,415,016	\$ 15,529,213	\$ 18,810,242	\$ 3,281,029	21.13%

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2300 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 FY2018 recommendation for the Reserve Fund is \$900,000, which represents no increase over the FY2017 appropriation.

Notes: The FY2015 and FY2016 budgets for the Reserve Fund were \$900,000 in each year.

In FY2015, a total of \$289,620 was transferred for supplemental funding for –

- Economic Development contractual services (\$69,120),
- Economic Development part-time wages (\$17,500),
- Economic Development supplies (\$17,500),
- Board of Health contractual services (\$11,500),
- Facilities Capital - LHS Modular Classrooms (\$150,000), and
- Board of Selectmen legal services (\$24,000).
- The Economic Development transfers were in support of the Town's assumption of operations of the Lexington Visitor Center in September 2014.

In FY2016, a total of \$176,800 was transferred for supplemental funding for –

- the Cary Memorial Building Project for the remediation of unforeseen hazardous materials (\$150,000), and
- supplemental funding for park improvements – hard court resurfacing (\$26,800).

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

2300 Reserve Fund

Budget Summary:

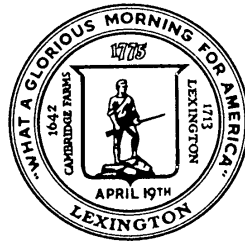
Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Directed Funding (Revolving Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total 2300 Reserve Fund	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-
Total 2300 Reserve Fund	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-

Level-Service Requests	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 2300 Reserve Fund	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-
Total 2300 Reserve Fund	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	-
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Compensation</i>	\$ -	\$ -	\$ -	\$ -	\$ -	-
Contractual Services	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Expenses</i>	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-
Total 2300 Reserve Fund	\$ -	\$ -	\$ 900,000	\$ 900,000	\$ -	-

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2400 Public Facilities

Mission: The mission of the Department of Public Facilities is to manage the efficient operation and maintenance of Town buildings, preserve 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.

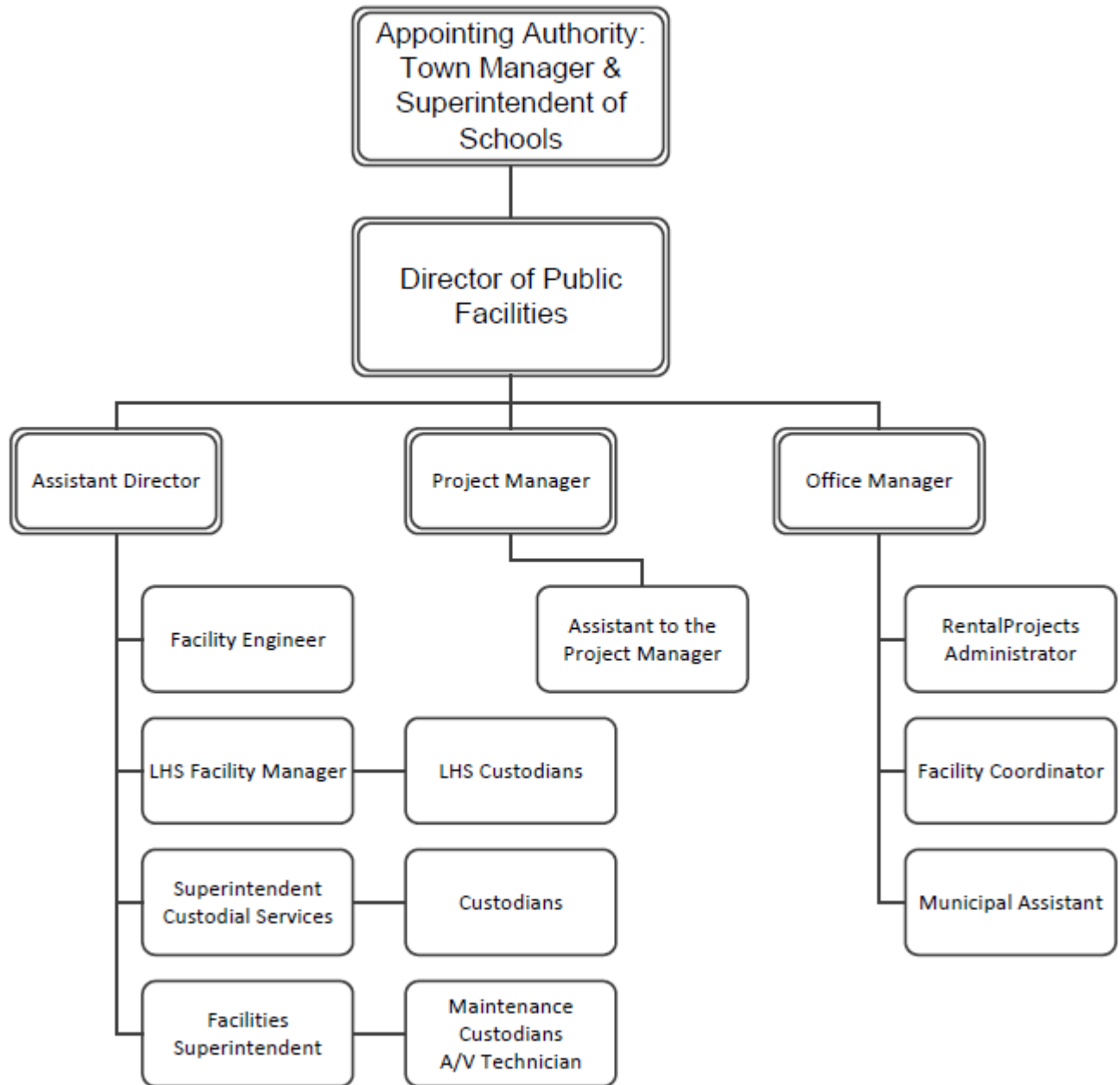
Budget Overview: The Department of Public Facilities (DPF) is responsible for the coordination and care of all Town-owned buildings inclusive of those under the control of the Town Manager, Library Trustees and School Committee. The primary areas of service include custodial care and cleaning, building maintenance and repair (including preventative maintenance), utilities, and landscaping and grounds (school buildings only). The DPF administrative staff develops and implements the 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 and additions at schools in support of increasing enrollments
2. Support implementation of Town Public Safety projects
3. Implement other priority projects.

2400 Public Facilities

Authorized/Appropriated Staffing



2400 Public Facilities

Town of Lexington, Massachusetts

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
School Facilities 2410				
Maintenance Staff	10	11	11	11
Custodian ¹	48	48	49	52
Subtotal FTE	58	59	60	63
Municipal Facilities 2420				
Foreman ²	1	0	0	0
Technician ³	1	0	0	0
Custodian	9	10	10	10
Subtotal FTE	11	10	10	10
Shared Facilities 2430				
Administrative Asst - Facility Coordinator	1	1	1	1
Administrative Asst - Clerical/Rental Administrator	1	1	1	1
Office Manager	1	1	1	1
Municipal Assistant - Part time	0.5	0.5	0.5	0.5
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
Subtotal FTE⁴	11.5	11.5	11.5	11.5
Total FTE	80.5	80.5	81.5	84.5

Notes:

¹ FY2017 includes 1 additional staff at LHS resulting from two prefab buildings. FY2018 includes 3 additional staff for the Lexington Children's Place at the Central Administration Building, and Diamond and Clarke Middle School additions and renovations.

² Foreman position replaced by Head Custodian position.

³ Municipal Technician replaced by Electrician in School (Townwide) Maintenance Staff

⁴ FTE count does not include a full-time Assistant Project Manager. Expense charged to construction projects.

2400 Public Facilities

Budget Recommendations:

The FY2018 recommended All Funds Department of Public Facilities budget inclusive of the General Fund operating budget, the Building Rental Revolving Fund and the PEG Revolving Fund – which funds staff that provide technical support to governmental programming – is \$10,898,271. The recommended budget is a \$416,328, or 3.97% increase from the FY2017 budget.

The Department of Public Facilities FY2018 recommended General Fund operating budget – inclusive of the Education Facilities, Municipal Facilities and Shared Facilities divisions – is \$10,402,987, which is a \$400,571, or 4.00% increase from the FY2017 General Fund budget.

The General Fund operating budget for Compensation is \$5,352,096, and reflects a \$349,690, or 6.99% increase, which is attributable to the addition of three custodians to maintain new education spaces at Clarke, Diamond and the Lexington Children’s Place at the Central Administration Building; the correction of a technical error in the FY2017 budget which omitted the salary for a maintenance staff vacancy; and contractual obligations for step increases and cost-of-living adjustments under the SEIU and AFSCME contracts which extend through June 30, 2018.

The General Fund operating budget for Expenses is \$5,050,891 and reflects a \$50,881, or 1.02% increase. Utility costs are stable, with only a \$6,446 or 0.22% increase, which includes a savings of \$66,088 or 7.87% in natural gas, and an increase of \$55,834 or 2.85% in electricity which is offset by estimated savings of \$190,000 from the new solar installation at Hartwell Avenue. Utility costs for new buildings at Pelham Rd. and 171/173 Bedford St. are also included.

The FY2018 Facilities Department recommended PEG Revolving Fund request is \$22,208, which reflects a \$1,516 or 7.33% increase from the FY2017 budget, primarily to reflect the actual cost of benefits for staff assigned to the fund. The Board of Selectmen’s budget includes additional spending associated with the PEG Revolving Fund. The Building Rental Revolving Fund budget request is \$473,077, an increase of \$14,242, or 3.10% which is primarily attributable to prospective increases in wages for staff charged to this account, reflecting the actual costs of benefits for those staff, and increases in supply costs due to increasing rental use.

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	
In-House Cleaning of Town Buildings	\$ 11,698	\$ 33,513	\$ 45,211	\$ -	\$ -	\$ -	\$ 45,211

* PIR total requested is net of amount currently in expense budget for contracted services.

2400 Public Facilities

Budget Summary:

Funding Sources (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 9,894,474	\$ 9,820,826	\$ 10,002,416	\$ 10,402,987	\$ 400,571	4.00%
Revolving Funds				\$ -		
Building Rental Revolving Fund	\$ 388,275	\$ 472,443	\$ 458,835	\$ 473,077	\$ 14,242	3.10%
PEG Revolving Fund	\$ 13,970	\$ 20,502	\$ 20,692	\$ 22,208	\$ 1,516	7.33%
Total 2400 Public Facilities (All Funds)	\$ 10,296,720	\$ 10,313,771	\$ 10,481,943	\$ 10,898,271	\$ 416,328	3.97%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 4,925,159	\$ 5,046,750	\$ 5,274,617	\$ 5,625,188	\$ 350,571	6.65%
Expenses	\$ 5,367,065	\$ 5,247,773	\$ 5,188,010	\$ 5,248,891	\$ 60,881	1.17%
Benefits	\$ 4,495	\$ 19,248	\$ 19,316	\$ 24,192	\$ 4,876	25.25%
Total 2400 Public Facilities (All Funds)	\$ 10,296,720	\$ 10,313,771	\$ 10,481,943	\$ 10,898,271	\$ 416,328	3.97%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Education Facilities	\$ 7,386,777	\$ 7,175,126	\$ 7,347,808	\$ 7,771,708	\$ 423,901	5.77%
Municipal Facilities	\$ 1,754,596	\$ 1,873,851	\$ 1,924,752	\$ 1,871,581	\$ (53,171)	-2.76%
Shared Facilities	\$ 1,155,347	\$ 1,264,794	\$ 1,209,382	\$ 1,254,981	\$ 45,599	3.77%
Total 2400 Public Facilities (All Funds)	\$ 10,296,720	\$ 10,313,771	\$ 10,481,943	\$ 10,898,271	\$ 416,328	3.97%

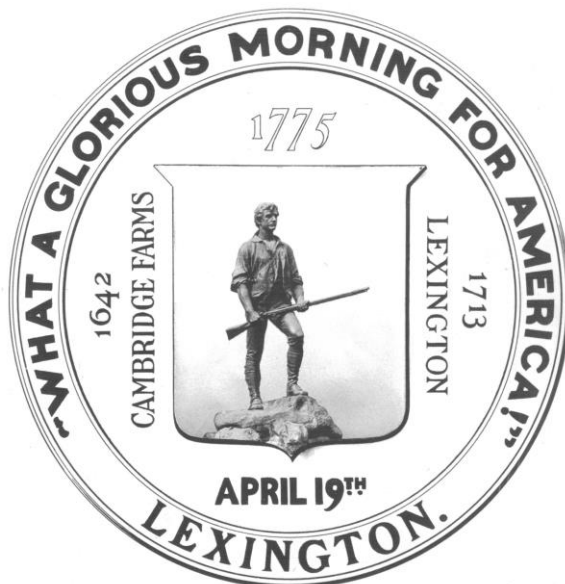
Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 4,383,139	\$ 4,549,361	\$ 4,832,909	\$ 5,178,767	\$ 345,858	7.16%
Overtime	\$ 542,021	\$ 497,389	\$ 441,708	\$ 446,421	\$ 4,713	1.07%
<i>Personal Services</i>	<i>\$ 4,925,159</i>	<i>\$ 5,046,750</i>	<i>\$ 5,274,617</i>	<i>\$ 5,625,188</i>	<i>\$ 350,571</i>	<i>6.65%</i>
Contractual Services	\$ 1,386,048	\$ 1,433,539	\$ 1,346,560	\$ 1,325,060	\$ (21,500)	-1.60%
Utilities	\$ 3,194,209	\$ 2,817,094	\$ 2,994,730	\$ 3,001,176	\$ 6,446	0.22%
Supplies	\$ 685,872	\$ 786,570	\$ 717,720	\$ 786,155	\$ 68,435	9.54%
Small Capital	\$ 100,937	\$ 210,570	\$ 129,000	\$ 136,500	\$ 7,500	5.81%
Expenses	\$ 5,367,065	\$ 5,247,773	\$ 5,188,010	\$ 5,248,891	\$ 60,881	1.17%
Benefits	\$ 4,495	\$ 19,248	\$ 19,316	\$ 24,192	\$ 4,876	25.2%
Total 2400 Public Facilities (All Funds)	\$ 10,296,720	\$ 10,313,771	\$ 10,481,943	\$ 10,898,271	\$ 416,328	3.97%

Appropriations Summary (General Fund Only)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 4,689,947	\$ 4,767,444	\$ 5,002,406	\$ 5,352,096	\$ 349,690	6.99%
Expenses	\$ 5,204,527	\$ 5,053,382	\$ 5,000,010	\$ 5,050,891	\$ 50,881	1.02%
Total 2400 Public Facilities (General Fund)	\$ 9,894,474	\$ 9,820,826	\$ 10,002,416	\$ 10,402,987	\$ 400,571	4.00%

Appropriations Summary (Non-General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Building Rental Revolving Fund	\$ 388,275	\$ 472,443	\$ 458,835	\$ 473,077	\$ 14,242	3.10%
Personal Services	\$ 221,242	\$ 263,713	\$ 256,065	\$ 256,746	\$ 681	0.27%
Benefits	\$ 4,495	\$ 14,339	\$ 14,770	\$ 18,331	\$ 3,561	24.11%
Expenses	\$ 162,538	\$ 194,391	\$ 188,000	\$ 198,000	\$ 10,000	5.32%
PEG Revolving Fund	\$ 13,970	\$ 20,502	\$ 20,692	\$ 22,208	\$ 1,516	7.33%
Personal Services	\$ 13,970	\$ 15,594	\$ 16,146	\$ 16,347	\$ 201	1.24%
Benefits	\$ -	\$ 4,908	\$ 4,546	\$ 5,861	\$ 1,315	28.94%
Total 2400 Public Facilities (Non-General Fund)	\$ 402,245	\$ 492,945	\$ 479,527	\$ 495,285	\$ 15,758	3.29%

Section V: Public Works

Program 3000



DPW Administration and Engineering
Highway
Public Grounds
Environmental Services
Water Enterprise
Sewer Enterprise

Section V: Program 3000: Public Works

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for Public Works (DPW). It includes:

- 3000-3500 DPW Summary V-2
- 3100 DPW Administration & Engineering V-7
- 3200 Highway V-11
- 3300 Public Grounds V-15
- 3400 Environmental Services V-19
- 3600 Water Enterprise V-23
- 3700 Sewer Enterprise V-27

3000 – 3500 DPW Summary

Town of Lexington, Massachusetts

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. The Department makes every effort to maximize the efficient, effective use of Town resources in the support, maintenance and upkeep of the infrastructure, public lands and programs. Staff is committed to public safety and providing prompt, courteous, quality service to both our customers and to each other.

Budget Overview: The Department of Public Works is comprised of multiple divisions including Administration and Engineering, Highway, Public Grounds and Environmental Services. 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, the Pine Meadows golf course, and the 5.5 mile-long Jack Edison 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, many DPW staff are also actively involved or work with Town committees. Those committees include the Permanent Building Committee, the Tree Committee, the Center Committee, the Water/Sewer Abatement Board, the Capital Expenditures Committee, the Energy Committee, the Electric Utility Ad-Hoc Committee, the Transportation Safety Group, the Bicycle Advisory Committee and the Recreation Committee, as well as other internal committees and teams.

Departmental Initiatives:

1. Continue the American Public Works Association re-accreditation process.
2. Continue the storm water initiatives in response to the new NPDES permit.
3. Support the implementation of People GIS Asset Management and Work Order System.
4. Work with Energy Committee and Sustainability Committee to improve energy efficiencies.

3000 – 3500 DPW Summary*Town of Lexington, Massachusetts***Authorized/Appropriated Staffing**

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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 ¹	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	1	1	1	2
Engineering Assistant	4	4	4	4
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	7	12	12	12
Grader/Shovel Operator	1	1	1	1
Information Coordinator	1	1	1	1
Seasonal Laborer	2.2	2.2	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	6	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
Crew Chief	1	1	1	1
Heavy Equipment Operators	1	1	1	1
Seasonal Heavy Equipment Operator	0.5	0.5	0.5	0.5
Seasonal Laborer	0.7	0.7	0.7	0.7
Total FTE	63.3	63.3	62.8	63.8
Total FT/PT	59 FT/10 PT	59 FT/10 PT	59 FT/9 PT	60 FT/9 PT

Explanatory Notes¹ FT Dept. Acct. Clerk shown as 0.6 from General Fund; 0.4 is charged to Water and Sewer Enterprise.

3000 – 3500 DPW Summary

Town of Lexington, Massachusetts

Budget Recommendations:

The FY2018 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 \$10,355,361. The recommended budget is a \$420,185, or 4.23% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The FY2018 recommended Public Works General Fund operating budget is \$9,393,686, which is a \$347,194, or 3.84% increase from the restated FY2017 General Fund budget.

The General Fund operating budget for Compensation is \$4,050,807, and reflects an \$87,772 or 2.21% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any estimate of prospective cost of living increases for contracts expiring on June 30, 2017. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The General Fund operating budget for Expenses is \$5,342,880 and reflects a \$259,422 or 5.10% increase.

The combined FY2018 recommended Revolving Fund budgets (see page V-6) are \$961,675 which is a \$74,388 or 8.38% increase over FY2017.

Please see the division sections on the following pages for a detailed explanation of the FY2018 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	
Senior Civil Engineer*	\$ 19,134	\$ 17,258	\$ 36,392	\$ (7,345)	\$ 8,964	\$ 1,619	\$ 34,773
Pavement Markings	\$ 120,000	\$ -	\$ 120,000	\$ 75,000		\$ 75,000	\$ 45,000
Landscape Maintenance at Munroe Cemetery	\$ 5,000	\$ -	\$ 5,000	\$ 5,000		\$ 5,000	\$ -
Street Tree Health Assessments	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -
Heavy Equip Operator @ Compost Facility PT to FT**	\$ 20,596	\$ 15,972	\$ 36,568	\$ -	\$ -	\$ -	\$ 36,568

*Senior Engineer targeted to begin employment no earlier than November 1, 2017. Professional Services has been reduced by \$60,000 to partially fund this new position.

**Compost Revolving Fund - Staffing will be revisited once solar project is complete and windrow utilization has been established.

3000 – 3500 DPW Summary

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 8,423,483	\$ 7,768,185	\$ 8,125,014	\$ 8,582,706	\$ 457,692	4.12%
Enterprise Funds (Indirects)	\$ 657,599	\$ 562,367	\$ 638,811	\$ 588,560	\$ (50,251)	-7.87%
Fees, Charges and Available Funds						
Parking Fund	\$ 6,961	\$ 8,208	\$ 8,208	\$ 8,000	\$ (208)	-2.53%
Cemetery Trust	\$ 105,000	\$ 105,000	\$ 105,000	\$ 48,500	\$ (56,500)	-53.81%
Cemetery Prep Fees	\$ 133,079	\$ 125,588	\$ 127,200	\$ 126,000	\$ (1,200)	-0.94%
Misc. Charges for Service	\$ 629	\$ 698	\$ 700	\$ 700	\$ -	-
Licenses & Permits	\$ 39,878	\$ 33,637	\$ 41,559	\$ 39,220	\$ (2,339)	-5.63%
Revolving Funds						
Burial Containers	\$ 29,060	\$ 36,340	\$ 40,000	\$ 40,000	\$ -	-
Compost Operations	\$ 452,501	\$ 607,842	\$ 612,287	\$ 686,675	\$ 74,388	12.15%
Lexington Tree Fund	\$ 24,823	\$ 40,421	\$ 45,000	\$ 45,000	\$ -	-
Minuteman Household Hazardous Waste	\$ 147,420	\$ 147,872	\$ 180,000	\$ 180,000	\$ -	-
Regional Cache - Hartwell Ave.	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	0.00%
Total 3100-3500 DPW All Funds	\$10,022,101	\$ 9,437,516	\$ 9,933,779	\$ 10,355,361	\$ 421,582	4.24%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 4,229,394	\$ 4,057,433	\$ 4,233,910	\$ 4,333,151	\$ 99,241	2.34%
Expenses	\$ 5,723,518	\$ 5,303,266	\$ 5,540,308	\$ 5,802,880	\$ 262,572	4.74%
Benefits	\$ 29,526	\$ 30,934	\$ 55,000	\$ 56,650	\$ 1,650	3.00%
Debt Service (Revolving Fund)	\$ 39,663	\$ 45,883	\$ 104,561	\$ 162,681	\$ 58,119	55.58%
Total 3100-3500 DPW	\$10,022,101	\$ 9,437,516	\$ 9,933,779	\$ 10,355,361	\$ 421,582	4.24%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 3110 Administration	\$ 589,273	\$ 593,012	\$ 616,722	\$ 603,733	\$ (12,989)	-2.11%
Total 3120 Town Engineering	\$ 649,149	\$ 752,545	\$ 834,350	\$ 826,628	\$ (7,722)	-0.93%
Total 3130 Street Lighting	\$ 304,859	\$ 270,846	\$ 265,302	\$ 257,853	\$ (7,449)	-2.81%
Total 3210 Highway	\$ 1,075,496	\$ 1,209,614	\$ 1,330,860	\$ 1,413,783	\$ 82,923	6.23%
Total 3220 Road Machinery	\$ 769,337	\$ 664,290	\$ 642,697	\$ 678,639	\$ 35,942	5.59%
Total 3230 Snow Removal	\$ 2,235,573	\$ 1,196,662	\$ 1,188,024	\$ 1,257,822	\$ 69,798	5.88%
Total 3310 Parks	\$ 978,175	\$ 1,044,482	\$ 1,142,052	\$ 1,160,161	\$ 18,110	1.59%
Total 3320 Forestry	\$ 310,143	\$ 355,440	\$ 460,591	\$ 518,236	\$ 57,645	12.52%
Total 3330 Cemetery	\$ 300,534	\$ 355,613	\$ 361,867	\$ 374,731	\$ 12,864	3.55%
Total 3410 Refuse Collection	\$ 779,561	\$ 795,153	\$ 811,056	\$ 846,800	\$ 35,744	4.41%
Total 3420 Recycling	\$ 1,416,101	\$ 1,626,858	\$ 1,679,664	\$ 1,801,407	\$ 121,743	7.25%
Total 3430 Refuse Disposal	\$ 613,900	\$ 573,000	\$ 600,594	\$ 615,567	\$ 14,973	2.49%
Total 3100-3500 DPW All Funds	\$10,022,101	\$ 9,437,516	\$ 9,933,779	\$ 10,355,361	\$ 421,582	4.24%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 3,532,107	\$ 3,641,325	\$ 3,822,730	\$ 3,915,852	\$ 93,122	2.44%
Overtime	\$ 697,287	\$ 416,108	\$ 411,180	\$ 417,299	\$ 6,119	1.49%
Personal Services	\$ 4,229,394	\$ 4,057,433	\$ 4,233,910	\$ 4,333,151	\$ 99,241	2.34%
Contractual Services	\$ 3,988,885	\$ 3,839,946	\$ 3,974,732	\$ 4,199,339	\$ 224,607	5.65%
Utilities	\$ 433,408	\$ 342,877	\$ 345,657	\$ 385,633	\$ 39,976	11.57%
Supplies	\$ 1,228,256	\$ 1,060,457	\$ 1,139,402	\$ 1,147,408	\$ 8,006	0.70%
Small Capital	\$ 72,971	\$ 59,986	\$ 80,517	\$ 70,500	\$ (10,017)	-12.44%
Expenses	\$ 5,723,518	\$ 5,303,266	\$ 5,540,308	\$ 5,802,880	\$ 262,572	4.74%
Benefits	\$ 29,526	\$ 30,934	\$ 55,000	\$ 56,650	\$ 1,650	3.00%
Debt	\$ 39,663	\$ 45,883	\$ 104,561	\$ 162,681	\$ 58,119	55.58%
Total 3100-3500 DPW All Funds	\$10,022,101	\$ 9,437,516	\$ 9,933,779	\$ 10,355,361	\$ 421,582	4.24%

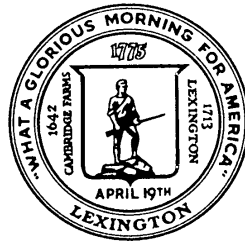
Object Code Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 3,322,220	\$ 3,407,654	\$ 3,586,356	\$ 3,668,527	\$ 82,171	2.29%
Overtime	\$ 675,057	\$ 398,156	\$ 376,678	\$ 382,279	\$ 5,601	1.49%
Personal Services	\$ 3,997,277	\$ 3,805,810	\$ 3,963,034	\$ 4,050,807	\$ 87,772	2.21%
Contractual Services	\$ 3,697,060	\$ 3,420,317	\$ 3,621,532	\$ 3,843,139	\$ 221,607	6.12%
Utilities	\$ 433,408	\$ 342,877	\$ 345,657	\$ 385,633	\$ 39,976	11.57%
Supplies	\$ 1,175,684	\$ 974,693	\$ 1,035,752	\$ 1,043,608	\$ 7,856	0.76%
Small Capital	\$ 63,201	\$ 59,986	\$ 80,517	\$ 70,500	\$ (10,017)	-12.44%
Expenses	\$ 5,369,351	\$ 4,797,873	\$ 5,083,458	\$ 5,342,880	\$ 259,422	5.10%
Total 3100-3500 DPW General Fund	\$ 9,366,628	\$ 8,603,683	\$ 9,046,492	\$ 9,393,686	\$ 347,194	3.84%

3000 – 3500 DPW Summary*Town of Lexington, Massachusetts***Budget Summary (continued):**

Approp Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 3,997,277	\$ 3,805,810	\$ 3,963,034	\$ 4,050,807	\$ 87,772	2.21%
Expenses	\$ 5,369,351	\$ 4,797,873	\$ 5,083,458	\$ 5,342,880	\$ 259,422	5.10%
Total 3100-3500 DPW General Fund	\$ 9,366,628	\$ 8,603,683	\$ 9,046,492	\$ 9,393,686	\$ 347,194	3.84%

Approp Summary (Non-Gen Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Regional Cache - Hartwell Avenue (3110)	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	-
Expenses	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	-
Tree Revolving Fund (3320)	\$ 24,823	\$ 40,421	\$ 45,000	\$ 45,000	\$ -	-
Expenses	\$ 24,823	\$ 40,421	\$ 45,000	\$ 45,000	\$ -	-
Burial Containers Revolving Fund (3330)	\$ 29,060	\$ 36,340	\$ 40,000	\$ 40,000	\$ -	-
Expenses	\$ 29,060	\$ 36,340	\$ 40,000	\$ 40,000	\$ -	-
Compost Operations Rev. Fund (3420)	\$ 452,501	\$ 607,842	\$ 612,287	\$ 686,675	\$ 74,388	12.15%
Compensation	\$ 232,117	\$ 251,623	\$ 270,876	\$ 282,344	\$ 11,468	4.23%
Expenses	\$ 151,195	\$ 279,403	\$ 181,850	\$ 185,000	\$ 3,150	1.73%
Benefits	\$ 29,526	\$ 30,934	\$ 55,000	\$ 56,650	\$ 1,650	3.00%
Debt	\$ 39,663	\$ 45,883	\$ 104,561	\$ 162,681	\$ 58,119	55.58%
Minuteman Household Haz. Waste (3420)	\$ 147,420	\$ 147,872	\$ 180,000	\$ 180,000	\$ -	-
Expenses	\$ 147,420	\$ 147,872	\$ 180,000	\$ 180,000	\$ -	-
Total 3100-3500 DPW Non-General Fund	\$ 655,473	\$ 833,832	\$ 887,287	\$ 961,675	\$ 74,388	8.38%

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3100 DPW Administration & Engineering

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

Budget Overview:

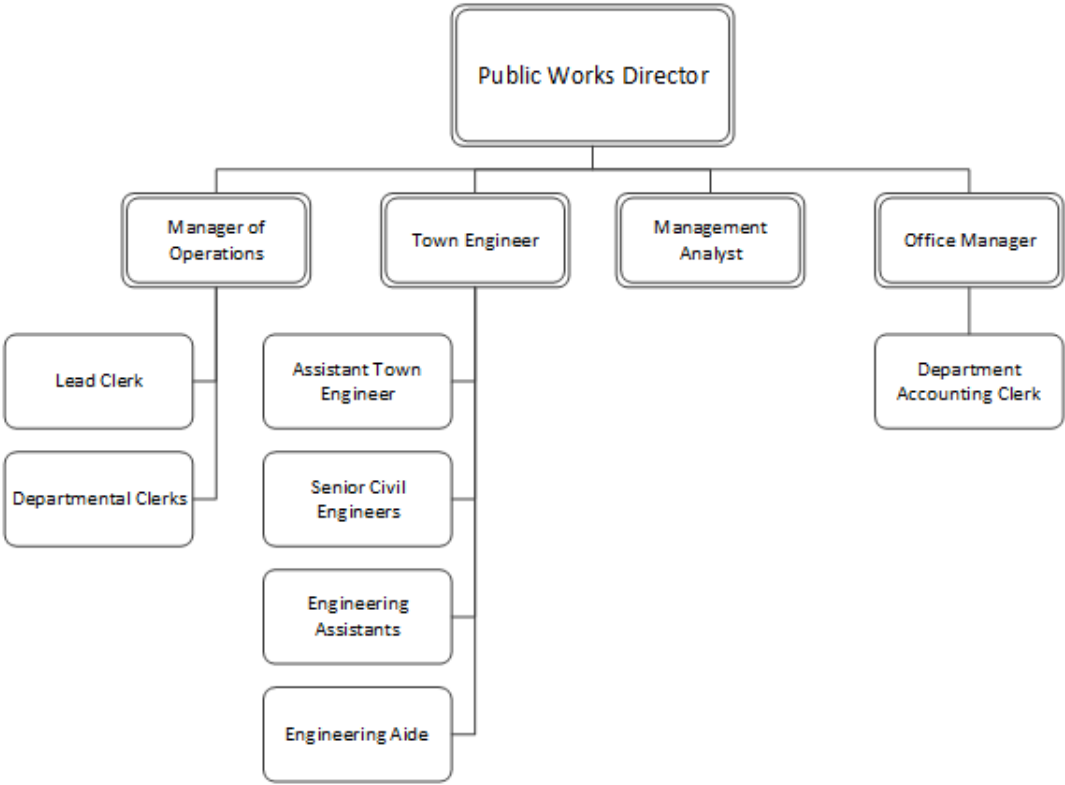
DPW Administration includes Administration, Operations, Engineering and Street Lighting. DPW Administration and Oversight staff plan, manage, coordinate, schedule and direct the department's activities. Staff are responsible for preparing budgets, monitoring expenditures, developing bid specifications 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, Center Committee, Energy Conservation Committee, Bicycle Advisory Committee, Tree Committee and Water and Sewer Abatement Board.

Division Initiatives:

1. Continue to streamline Operations and Administration office assignments and functions for efficiency.
2. Continue reaccreditation process through the American Public Works Association.
3. Expand pavement management program techniques through research and application.
4. Improve asset management capabilities through use of PeopleGIS.
5. Continue to explore options to better track street lighting outages and methods to enhance response time to outages.
6. Continue to work with the Energy Committee and Lighting Options Committee to find energy savings for street lights.
7. Continue to proactively maintain a cost effective lighting system which reduces outage frequency and down time.

3100 DPW Administration & Engineering



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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	1	1	1	2
Engineering Assistant	4	4	4	4
Engineering Aide	0.7	0.7	0.7	0.7
Subtotal FTE	7.7	7.7	7.7	8.7
Subtotal FT/PT	7 FT/1 PT	7 FT/1 PT	7 FT/1 PT	8 FT/1 PT
Total FTE	14.9	14.9	14.9	15.9
Total Full/Part Time	14 FT/2 PT	14 FT/2 PT	14 FT/2 PT	15 FT/2 PT

*1 FT Assistant split between DPW, Water & Sewer

3100 DPW Administration & Engineering

Budget Recommendations:

The FY2018 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 \$1,688,214. The recommended budget is a \$29,557 or 1.72% decrease from the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2016 budget at the 2016 annual town meeting.

The recommended FY2018 Administration and Engineering General Fund operating budget is \$1,678,214 which is a \$28,160, or 1.65% decrease from the restated FY2017 General Fund budget. Of this amount, \$1,289,624 is for Compensation and reflects a \$62,677 or 5.11% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments, the shift of \$27,000 from Professional Services to Internships for stormwater monitoring, as well as the funding of a program improvement request to hire a second Senior Civil Engineer. FY2018 Compensation does not include any estimate of prospective cost of living increases for contracts expiring on June 30, 2017. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The recommended FY2018 Administration and Engineering General Fund operating budget for Expenses is \$388,590 and reflects a \$90,837, or 18.95% decrease. The most notable changes in the Expense Budget are in the Engineering Division, which is decreasing by \$85,550; a net change primarily driven by shifts from Professional Services to: 1) Seasonal part-time wages for interns to conduct stormwater monitoring (\$27,000); and 2) Regular Wages for a recommended program improvement to hire a second Senior Civil Engineer (\$60,000).

The FY2018 recommended Regional Cache Revolving Fund request is funded at \$10,000, the same funding level as FY2017.

Program Improvement Requests:

Description	Request			Recommended			Not Recommended
	Salaries and Expenses	Benefits (reflected in Shared Expenses)	Total Requested	Salaries and Expenses	Benefits (reflected in Shared Expenses)	Total	
Senior Civil Engineer*	\$ 19,134	\$ 17,258	\$ 36,392	\$ (7,345)	\$ 8,964	\$ 1,619	\$ 34,773

*Senior Engineer targeted to begin employment no earlier than November 1, 2017. Professional Services has been reduced by \$60,000 to partially fund this new position.

3100 DPW Administration & Engineering

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,160,246	\$ 1,261,921	\$ 1,338,936	\$ 1,282,134	\$(56,802)	-4.24%
Enterprise Funds (Indirects)	\$ 340,383	\$ 318,028	\$ 335,179	\$ 366,160	\$ 30,981	9.24%
Fees & Charges						
Charges for Service	\$ 629	\$ 698	\$ 700	\$ 700	\$ -	-
Licenses & Permits	\$ 39,878	\$ 33,637	\$ 41,559	\$ 39,220	\$(2,339)	-5.63%
Parking Fund*	\$ 2,145	\$ 2,120	\$ 2,120	\$ -	\$(2,120)	-100.00%
Regional Cache - Hartwell Ave.	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	0.00%
Total 3100 DPW Admin. & Engineering	\$ 1,543,281	\$ 1,616,403	\$ 1,716,374	\$ 1,688,214	\$(28,160)	-1.64%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,158,498	\$ 1,184,988	\$ 1,226,947	\$ 1,289,624	\$ 62,677	5.11%
Expenses	\$ 384,783	\$ 431,415	\$ 489,427	\$ 398,590	\$(90,837)	-18.56%
Total 3100 DPW Admin. & Engineering	\$ 1,543,281	\$ 1,616,403	\$ 1,716,374	\$ 1,688,214	\$(28,160)	-1.64%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 3110 DPW Administration	\$ 589,273	\$ 593,012	\$ 616,722	\$ 603,733	\$(12,989)	-2.11%
Total 3120 Engineering	\$ 649,149	\$ 752,545	\$ 834,350	\$ 826,628	\$(7,722)	-0.93%
Total 3130 Street Lighting	\$ 304,859	\$ 270,846	\$ 265,302	\$ 257,853	\$(7,449)	-2.81%
Total 3100 DPW Admin. & Engineering	\$ 1,543,281	\$ 1,616,403	\$ 1,716,374	\$ 1,688,214	\$(28,160)	-1.64%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,151,249	\$ 1,180,111	\$ 1,213,427	\$ 1,275,951	\$ 62,524	5.15%
Overtime	\$ 7,249	\$ 4,876	\$ 13,520	\$ 13,673	\$ 153	1.13%
Personal Services	\$ 1,158,498	\$ 1,184,988	\$ 1,226,947	\$ 1,289,624	\$ 62,677	5.11%
Contractual Services	\$ 239,951	\$ 246,391	\$ 279,625	\$ 196,490	\$(83,135)	-29.73%
Utilities	\$ 115,150	\$ 125,280	\$ 130,402	\$ 122,000	\$(8,402)	-6.44%
Supplies	\$ 27,759	\$ 57,974	\$ 78,400	\$ 78,600	\$ 200	0.26%
Small Capital	\$ 1,922	\$ 1,770	\$ 1,000	\$ 1,500	\$ 500	50.00%
Expenses	\$ 384,783	\$ 431,415	\$ 489,427	\$ 398,590	\$(90,837)	-18.56%
Total 3100 DPW Admin. & Engineering	\$ 1,543,281	\$ 1,616,403	\$ 1,716,374	\$ 1,688,214	\$(28,160)	-1.64%

Program Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,158,498	\$ 1,184,988	\$ 1,226,947	\$ 1,289,624	\$ 62,677	5.11%
Expenses	\$ 383,114	\$ 430,058	\$ 479,427	\$ 388,590	\$(90,837)	-18.95%
Total 3100 DPW Admin. & Engineering	\$ 1,541,612	\$ 1,615,045	\$ 1,706,374	\$ 1,678,214	\$(28,160)	-1.65%

Appropriation Summary (Non-Gen'l Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Regional Cache - Hartwell Avenue	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	-
Expenses	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	-
Total 3100 DPW Admin. & Engineering	\$ 1,669	\$ 1,358	\$ 10,000	\$ 10,000	\$ -	0.00%

* Parking Fund reflects a restatement of expenses in FY2018.

3200 Highway

Mission: The Highway Division maintains the town streets, sidewalks and storm water 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 Road Machinery Division ensures that the Town's fleet is operational and well maintained by performing repairs, preventative maintenance and managing the fuel management program.

Budget Overview: The Highway Division includes Highway Maintenance, Road Machinery 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.

Road Machinery is responsible for the repair and preventive maintenance of 160 vehicles, rolling stock and equipment.

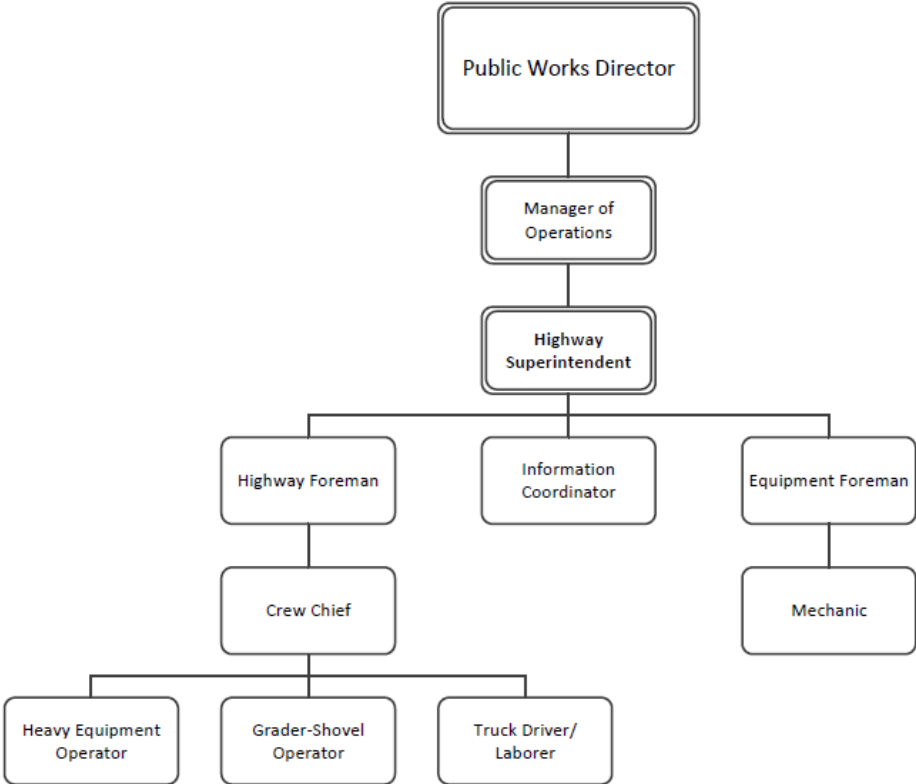
Snow Removal is responsible for removing snow and treating 155 miles of roads and 62 miles of sidewalks.

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 per the Retro-reflectivity study conducted in 2013.
2. Take proactive measures to repair catch basins town wide.
3. Refine the preventative maintenance program with new technologies.
4. Implementation of web-based technologies that improve efficiency.
5. Refine the use of enhanced liquids with salt in order to enhance the treatment processes and reduce salt consumption.
6. Continue researching new technologies that will improve the efficiency of snow removal operations.
7. Continue researching and utilizing composite plow edge technology.

3200 Highway



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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
Laborer/Truck Driver	1	0	0	0
Heavy Equipment Operator	4	5	5	5
Leadman	2	2	2	2
Grader/Shovel Operator	1	1	1	1
Information Coordinator	1	1	1	1
Seasonal Laborer	1	1	0.5	0.5
Subtotal FTE	14	14	13.5	13.5
Subtotal FT/PT	13 FT/2 PT	13 FT/2 PT	13 FT/1 PT	13 FT/1 PT
Element 3220: Road Machinery				
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	19	19	18.5	18.5
Total Full/Part Time	18 FT/2 PT	18 FT/2 PT	18 FT/1 PT	18 FT/1 PT

3200 Highway

Budget Recommendations:

The FY2018 recommended Highway budget inclusive of the Highway Maintenance, Road Machinery and Snow Removal divisions is \$3,350,244. The recommended budget is an \$188,663, or 5.97%, increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The budget for Compensation is \$1,338,529 and reflects a \$3,696 or 0.28% increase, which is attributable to replacement of retiring staff at lower steps partially offset by contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any estimate of prospective cost of living increases for contracts expiring on June 30, 2017. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The budget for Expenses is \$2,011,716 and reflects a \$184,967 or 10.13% increase which includes an addition of \$75,000 in Highway expenses for a program improvement for the installation and maintenance of bicycle sharrows and bike lanes on town roadways, an expected increase of \$37,000 in diesel fuel costs for both Road Machinery and Snow Removal, and an increase in other Snow Removal expenses of \$54,500. The biggest driver of the increase in Snow Removal expenses is for snow plow contractors and lease agreements for three loaders and a sidewalk tractor for snow removal.

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	
Pavement Markings	\$ 120,000	\$ -	\$ 120,000	\$ 75,000		\$ 75,000	\$ 45,000

3200 Highway

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 3,851,561	\$ 2,910,801	\$ 2,938,900	\$ 3,206,208	\$ 267,308	9.1%
Enterprise Funds (Indirects)	\$ 195,920	\$ 126,955	\$ 189,872	\$ 136,037	\$ (53,835)	-28.4%
Fees & Charges	-	-	-	-	-	-
Parking Fund*	\$ 32,924	\$ 32,810	\$ 32,810	\$ 8,000	\$ (24,810)	-75.6%
Total 3200 Highway	\$ 4,080,405	\$ 3,070,566	\$ 3,161,581	\$ 3,350,244	\$ 188,663	5.97%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,639,711	\$ 1,346,584	\$ 1,334,832	\$ 1,338,529	\$ 3,696	0.28%
Expenses	\$ 2,440,695	\$ 1,723,982	\$ 1,826,749	\$ 2,011,716	\$ 184,967	10.13%
Total 3200 Highway	\$ 4,080,405	\$ 3,070,566	\$ 3,161,581	\$ 3,350,244	\$ 188,663	5.97%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 3210 Highway Maintenance	\$ 1,075,496	\$ 1,209,614	\$ 1,330,860	\$ 1,413,783	\$ 82,923	6.23%
Total 3220 Road Machinery	\$ 769,337	\$ 664,290	\$ 642,697	\$ 678,639	\$ 35,942	5.59%
Total 3230 Snow Removal	\$ 2,235,573	\$ 1,196,662	\$ 1,188,024	\$ 1,257,822	\$ 69,798	5.88%
Total 3200 Highway	\$ 4,080,405	\$ 3,070,566	\$ 3,161,581	\$ 3,350,244	\$ 188,663	5.97%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,098,811	\$ 1,079,061	\$ 1,076,911	\$ 1,076,738	\$ (173)	-0.02%
Overtime	\$ 540,899	\$ 267,523	\$ 257,921	\$ 261,791	\$ 3,870	1.50%
<i>Personal Services</i>	<i>\$ 1,639,711</i>	<i>\$ 1,346,584</i>	<i>\$ 1,334,832</i>	<i>\$ 1,338,529</i>	<i>\$ 3,696</i>	<i>0.28%</i>
Contractual Services	\$ 1,118,196	\$ 769,995	\$ 780,100	\$ 920,650	\$ 140,550	18.02%
Utilities	\$ 272,836	\$ 147,266	\$ 176,480	\$ 213,458	\$ 36,978	20.95%
Supplies	\$ 996,323	\$ 753,897	\$ 813,352	\$ 816,608	\$ 3,256	0.40%
Small Capital	\$ 53,340	\$ 52,825	\$ 56,817	\$ 61,000	\$ 4,183	7.36%
Expenses	\$ 2,440,695	\$ 1,723,982	\$ 1,826,749	\$ 2,011,716	\$ 184,967	10.13%
Total 3200 Highway	\$ 4,080,405	\$ 3,070,566	\$ 3,161,581	\$ 3,350,244	\$ 188,663	5.97%

* Parking Fund reflects a restatement of expenses in FY2018.

3300 Public Grounds

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.

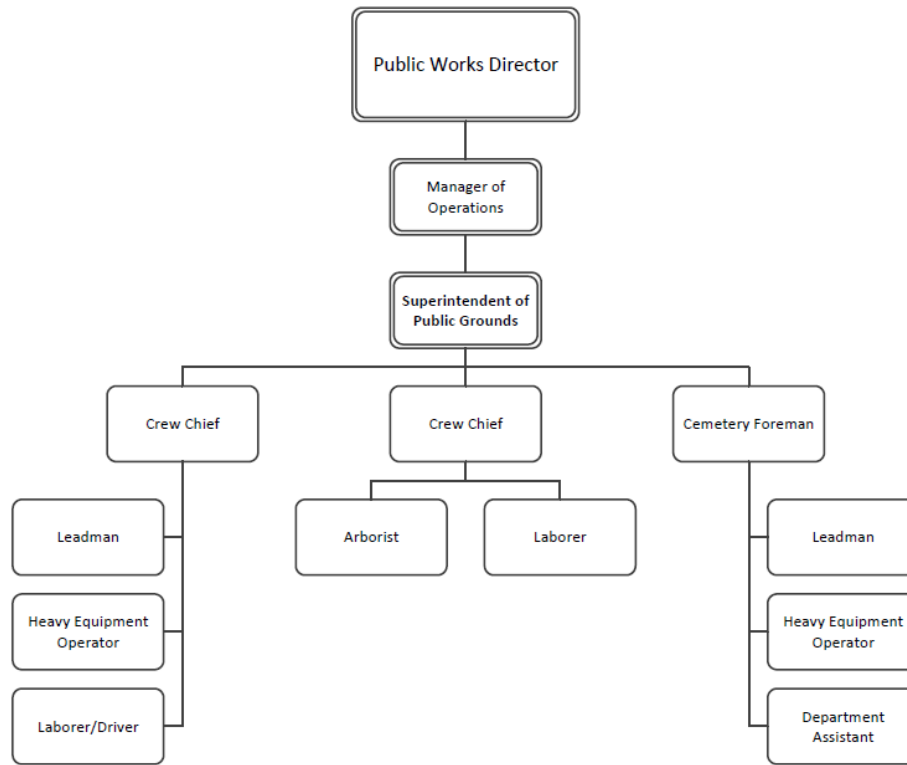
The Cemetery staff is responsible for the administration and maintenance of four cemeteries including 21.5 acres in Westview, 6.9 acres in Munroe, 1.28 in Colonial and 0.5 acres in Robbins.

Staff support the Recreation, Tree and Bicycle Advisory Committees.

Division Initiatives:

1. Develop a program to improve two turf areas per year. In 2016, the target areas were the fields at the Fiske and Diamond Schools.
2. Continue the implementation of planting at least 130 trees per year in the Town Right-of Ways, parks, public grounds areas, and setback areas on private property. It is anticipated that the trees for the FY2018 plantings will come from the Tree Nursery and bare root trees from a supplier.
3. Continue the implementation of 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.

3300 Public Grounds



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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	2	6	6	6
Laborer-Truck Driver	5	1	1	1
Subtotal FTE	15	15	15	15
Subtotal FT/PT	15 FT/0 PT	15 FT/0 PT	15 FT/0 PT	15 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	25.2	25.2	25.2
Total Full/Part Time	24 FT/4 PT	24 FT/4 PT	24 FT/4 PT	24 FT/4 PT

3300 Public Grounds

Budget Recommendations:

The FY2018 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 \$2,053,129, which is a \$88,619 or 4.51% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The combined Parks, Forestry and Cemetery FY2018 recommended General Fund operating budget is \$1,968,129 which is an \$88,619 or 4.71% increase from the restated FY2017 General Fund budget.

The combined Parks, Forestry and Cemetery General Fund operating budget for Compensation is \$1,422,654 and reflects a \$21,399 or 1.53% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any estimate of prospective cost of living increases for contracts expiring on June 30, 2017. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The combined Parks, Forestry and Cemetery General Fund operating budget for Expenses is \$545,475 and reflects a \$67,220 or 14.06% increase, which is primarily attributable to program improvement requests of \$5,000 for additional landscaping at Munroe Cemetery and \$50,000 for the first of a multi-year program for assessing the health of street trees, the removal of one-time funding of \$14,700 for a leaf vacuum system, combined increases of \$11,400 to the Parks and Cemetery water budgets to reflect actual experience, as well as various incremental adjustments to other budget lines.

The combined FY2018 revolving fund budgets are level funded at \$85,000.

Program Improvement Requests:

Description	Request			Recommended			Not Recommended
	Salaries and Expenses	Benefits (reflected in Shared Expenses)	Total Requested	Salaries and Expenses	Benefits (reflected in Shared Expenses)	Total	
Landscape Maintenance at Munroe Cemetery	\$ 5,000	\$ -	\$ 5,000	\$ 5,000		\$ 5,000	\$ -
Street Tree Health Assessments	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ -

3300 Public Grounds

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,175,595	\$ 1,330,803	\$ 1,533,550	\$ 1,707,266	\$ 173,716	11.33%
Enterprise Funds (Indirects)	\$ 121,296	\$ 117,384	\$ 113,760	\$ 86,363	\$ (27,397)	-24.08%
Fees & Charges						
Cemetery Prep Fees	\$ 133,079	\$ 125,588	\$ 127,200	\$ 126,000	\$ (1,200)	-0.94%
Directed Funding						
Cemetery Trust	\$ 105,000	\$ 105,000	\$ 105,000	\$ 48,500	\$ (56,500)	-53.81%
Revolving Funds						
Burial Containers	\$ 29,060	\$ 36,340	\$ 40,000	\$ 40,000	\$ -	-
Lexington Tree Fund	\$ 24,823	\$ 40,421	\$ 45,000	\$ 45,000	\$ -	-
Total 3300 Public Grounds	\$ 1,588,853	\$ 1,755,536	\$ 1,964,510	\$ 2,053,129	\$ 88,619	4.51%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,199,068	\$ 1,274,238	\$ 1,401,255	\$ 1,422,654	\$ 21,399	1.53%
Expenses	\$ 389,785	\$ 481,297	\$ 563,255	\$ 630,475	\$ 67,220	11.93%
Total 3300 Public Grounds	\$ 1,588,853	\$ 1,755,536	\$ 1,964,510	\$ 2,053,129	\$ 88,619	4.51%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 3310 Parks Division	\$ 978,175	\$ 1,044,482	\$ 1,142,052	\$ 1,160,161	\$ 18,110	1.59%
Total 3320 Forestry	\$ 310,143	\$ 355,440	\$ 460,591	\$ 518,236	\$ 57,645	12.52%
Total 3330 Cemetery	\$ 300,534	\$ 355,613	\$ 361,867	\$ 374,731	\$ 12,864	3.55%
Total 3300 Public Grounds	\$ 1,588,853	\$ 1,755,536	\$ 1,964,510	\$ 2,053,129	\$ 88,619	4.51%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,072,159	\$ 1,148,481	\$ 1,296,018	\$ 1,315,838	\$ 19,820	1.53%
Overtime	\$ 126,909	\$ 125,757	\$ 105,237	\$ 106,816	\$ 1,579	1.50%
Personal Services	\$ 1,199,068	\$ 1,274,238	\$ 1,401,255	\$ 1,422,654	\$ 21,399	1.53%
Contractual Services	\$ 155,245	\$ 183,214	\$ 290,280	\$ 359,400	\$ 69,120	23.81%
Utilities	\$ 45,422	\$ 70,331	\$ 38,775	\$ 50,175	\$ 11,400	29.40%
Supplies	\$ 181,180	\$ 222,361	\$ 211,500	\$ 212,900	\$ 1,400	0.66%
Small Capital	\$ 7,939	\$ 5,392	\$ 22,700	\$ 8,000	\$ (14,700)	-64.76%
Expenses	\$ 389,785	\$ 481,297	\$ 563,255	\$ 630,475	\$ 67,220	11.93%
Total 3300 Public Grounds	\$ 1,588,853	\$ 1,755,536	\$ 1,964,510	\$ 2,053,129	\$ 88,619	4.51%

Appropriation Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,199,068	\$ 1,274,238	\$ 1,401,255	\$ 1,422,654	\$ 21,399	1.53%
Expenses	\$ 335,902	\$ 404,536	\$ 478,255	\$ 545,475	\$ 67,220	14.06%
Total 3300 Public Grounds	\$ 1,534,970	\$ 1,678,775	\$ 1,879,510	\$ 1,968,129	\$ 88,619	4.71%

Appropriation Summary (Non-Gen'l Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Lexington Tree Revolving Fund	\$ 24,823	\$ 40,421	\$ 45,000	\$ 45,000	\$ -	-
Expenses	\$ 24,823	\$ 40,421	\$ 45,000	\$ 45,000	\$ -	-
Burial Container Revolving Fund	\$ 29,060	\$ 36,340	\$ 40,000	\$ 40,000	\$ -	-
Expenses	\$ 29,060	\$ 36,340	\$ 40,000	\$ 40,000	\$ -	-
Total 3300 Public Grounds	\$ 53,883	\$ 76,761	\$ 85,000	\$ 85,000	\$ -	-

3400 Environmental Services*Town of Lexington, Massachusetts*

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 the 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.

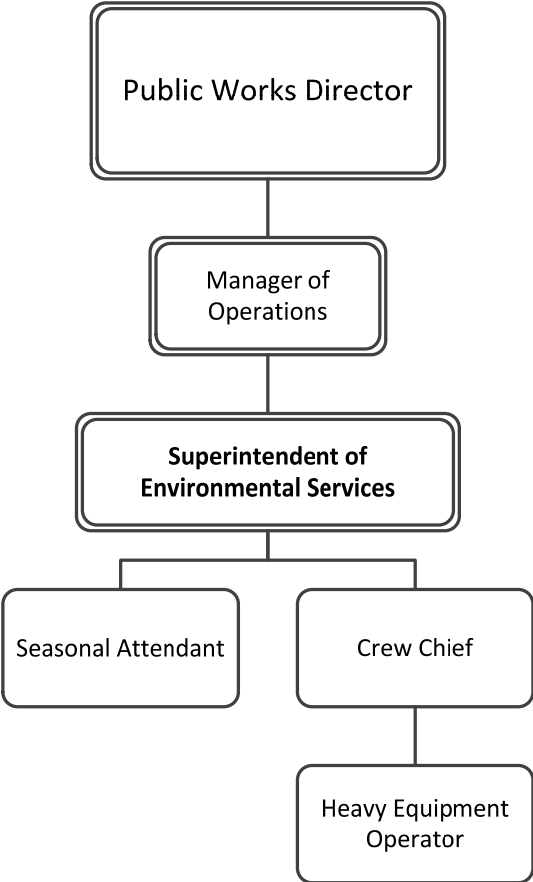
The Town's five-year contract and one-year extension with JRM Hauling and Recycling, Inc. will end on June 30, 2018. A new bid will be released in 2017 for a new five-year contract beginning in FY2019. The Town is currently under contract with Wheelabrator in North Andover for refuse disposal through June 30, 2020.

Division Initiatives:

1. Continue to oversee enforcement of mandatory recycling by-law and State waste ban regulations implemented by curbside collection vendor.
2. Develop a new landscape contractor yard waste disposal permit program.
3. Update work plan for Hartwell Avenue due to solar construction project.
4. Examine recycling opportunities for the Lexington Business community.
5. Continue to explore future alternative disposal options for municipal solid waste.

3400 Environmental Services

Town of Lexington, Massachusetts



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Element 3420: Recycling* (Compost Facility)				
Superintendent of Environmental Services	1	1	1	1
Crew Chief	1	1	1	1
Heavy Equipment Operator	1	1	1	1
Seasonal Heavy Equipment Operator	0.5	0.5	0.5	0.5
Seasonal Attendant	0.7	0.7	0.7	0.7
Subtotal FTE	4.2	4.2	4.2	4.2
Subtotal FT/PT	3 FT/2 PT*	3 FT/2 PT*	3 FT/2 PT*	3 FT/2 PT*
Total FTE	4.2	4.2	4.2	4.2
Total Full/Part Time	3 FT/2 PT	3 FT/2 PT	3 FT/2 PT	3 FT/2 PT

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

3400 Environmental Services

Budget Recommendations:

The recommended FY2018 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 \$3,263,774, which is a \$172,460 or 5.58% increase over the FY2017 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 \$2,397,099 and reflects a \$98,072 or 4.27% increase. The Refuse Collection expense budget is recommended at \$846,800, an increase of \$35,774 or 4.41%, and the Recycling expense budget is recommended at \$934,732 an increase of \$47,355 or 5.34%, both of which reflect increases in the Town's contracts for refuse and recycling collections which were extended for one year into FY2018, and will be rebid in 2017 for FY2019. The Refuse Disposal expense budget is recommended at \$615,567, an increase of \$14,973 or 2.49%, attributable to a 2.5% or \$1.61 increase in the Town's tipping fee per ton. Total refuse disposal tonnage for FY2018 is projected to be 9,300 tons.

The FY2018 revolving fund budgets are recommended at \$866,675, a \$74,388 or 9.39% increase. Minuteman Household Hazardous Waste Program Revolving Fund is level-funded at \$180,000. The Compost Operations Revolving Fund is recommended at \$686,675 a \$74,388 or 12.15% increase which reflects an \$11,468 increase in compensation (attributable to step and cost of living increases), and a \$58,119 increase in debt service payments for a loader and windrow turner purchased to accommodate the smaller footprint from the solar panel installation.

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	
Heavy Equip Operator @ Compost Facility PT to FT**	\$ 20,596	\$ 15,972	\$ 36,568	\$ -	\$ -	\$ -	\$ 36,568

**Compost Revolving Fund - Staffing will be revisited once solar project is complete and windrow utilization has been established.

3400 Environmental Services

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 2,209,641	\$ 2,239,297	\$ 2,299,027	\$ 2,397,099	\$ 98,072	4.27%
Revolving Funds	-	-	-	-	-	-
Compost Operations	\$ 452,501	\$ 607,842	\$ 612,287	\$ 686,675	\$ 74,388	12.15%
MHHP Operations	\$ 147,420	\$ 147,872	\$ 180,000	\$ 180,000	\$ -	-
Total 3400 Environmental Services	\$ 2,809,562	\$ 2,995,011	\$ 3,091,314	\$ 3,263,774	\$ 172,460	5.58%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 232,117	\$ 251,623	\$ 270,876	\$ 282,344	\$ 11,468	4.23%
Expenses	\$ 2,508,256	\$ 2,666,572	\$ 2,660,877	\$ 2,762,099	\$ 101,222	3.80%
Benefits	\$ 29,526	\$ 30,934	\$ 55,000	\$ 56,650	\$ 1,650	3.00%
Debt Service (Revolving Fund)	\$ 39,663	\$ 45,883	\$ 104,561	\$ 162,681	\$ 58,119	55.58%
Total 3400 Environmental Services	\$ 2,809,562	\$ 2,995,011	\$ 3,091,314	\$ 3,263,774	\$ 172,460	5.58%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 3410 Refuse Collection	\$ 779,561	\$ 795,153	\$ 811,056	\$ 846,800	\$ 35,744	4.41%
Total 3420 Recycling	\$ 1,416,101	\$ 1,626,858	\$ 1,679,664	\$ 1,801,407	\$ 121,743	7.25%
Total 3420 Refuse Disposal	\$ 613,900	\$ 573,000	\$ 600,594	\$ 615,567	\$ 14,973	2.49%
Total 3400 Environmental Services	\$ 2,809,562	\$ 2,995,011	\$ 3,091,314	\$ 3,263,774	\$ 172,460	5.58%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 209,887	\$ 233,671	\$ 236,374	\$ 247,325	\$ 10,951	4.63%
Overtime	\$ 22,230	\$ 17,952	\$ 34,502	\$ 35,020	\$ 518	1.50%
Personal Services	\$ 232,117	\$ 251,623	\$ 270,876	\$ 282,344	\$ 11,468	4.23%
Contractual Services	\$ 2,475,492	\$ 2,640,346	\$ 2,624,727	\$ 2,722,799	\$ 98,072	3.74%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ 22,994	\$ 26,226	\$ 36,150	\$ 39,300	\$ 3,150	8.71%
Small Capital	\$ 9,770	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 2,508,256	\$ 2,666,572	\$ 2,660,877	\$ 2,762,099	\$ 101,222	3.80%
Benefits	\$ 29,526	\$ 30,934	\$ 55,000	\$ 56,650	\$ 1,650	3.00%
Debt	\$ 39,663	\$ 45,883	\$ 104,561	\$ 162,681	\$ 58,119	55.58%
Total 3400 Environmental Services	\$ 2,809,562	\$ 2,995,011	\$ 3,091,314	\$ 3,263,774	\$ 172,460	5.58%

Appropriation Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 2,209,641	\$ 2,239,297	\$ 2,299,027	\$ 2,397,099	\$ 98,072	4.27%
Total 3400 Environmental Services	\$ 2,209,641	\$ 2,239,297	\$ 2,299,027	\$ 2,397,099	\$ 98,072	4.27%

Appropriation Summary (Non-General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compost Operations Revolving Fund	\$ 452,501	\$ 607,842	\$ 612,287	\$ 686,675	\$ 74,388	12.15%
Compensation	\$ 232,117	\$ 251,623	\$ 270,876	\$ 282,344	\$ 11,468	4.23%
Expenses	\$ 151,195	\$ 279,403	\$ 181,850	\$ 185,000	\$ 3,150	1.73%
Benefits	\$ 29,526	\$ 30,934	\$ 55,000	\$ 56,650	\$ 1,650	3.00%
Debt	\$ 39,663	\$ 45,883	\$ 104,561	\$ 162,681	\$ 58,119	55.58%
Minuteman Hazardous Waste Rev. Fund	\$ 147,420	\$ 147,872	\$ 180,000	\$ 180,000	\$ -	-
Expenses	\$ 147,420	\$ 147,872	\$ 180,000	\$ 180,000	\$ -	-
Total 3400 Environmental Services	\$ 599,921	\$ 755,714	\$ 792,287	\$ 866,675	\$ 74,388	9.39%

3600 Water Enterprise

Mission: The Water/Sewer Division provides safe drinking water by regular monitoring and testing of water and maintaining and improving the water system infrastructure.

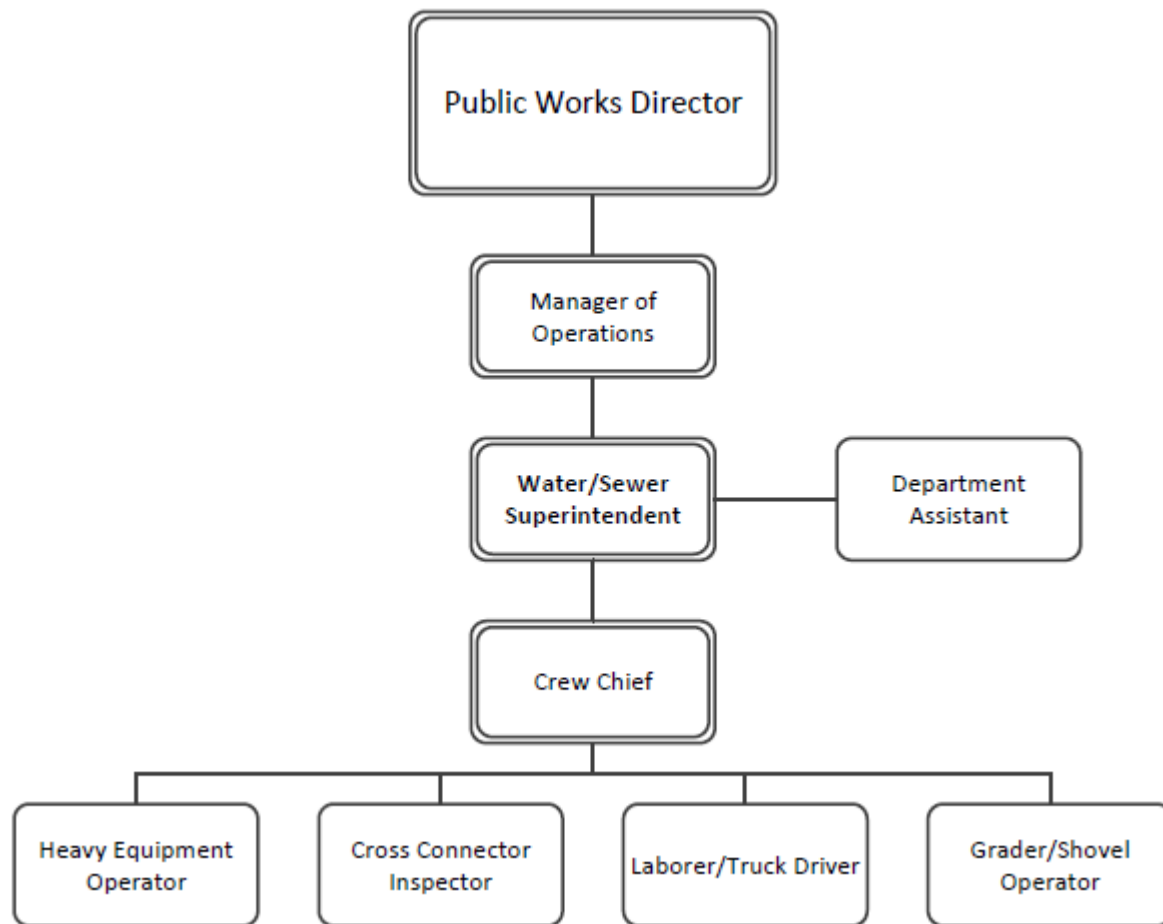
Budget Overview: The Water Division budget is comprised of Water Operations, Massachusetts Water Resources Authority (MWRA) purchases and indirect support from the General Fund.

The Water Operations maintains and repairs the water system that delivers water to Lexington homes and businesses through 154 miles of water mains, 1,500 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 FY2018, the Water Enterprise Fund will begin contributing 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. Develop educational materials for water conservation.
3. Implement a backflow/cross connection program.
4. Reduce the amount of Pit Meters in Town and change out the manual reads on the ones that cannot be eliminated.
5. Continue upgrading the last 2 percent of meters that have not been replaced.
6. Continue to update all the water connection "paper tie cards" for GIS implementation.
7. Continue the reaccreditation process with the American Public Works Association.



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Supt of Water & Sewer	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
Meter Reader/Laborer	0	0	0	0
Total FTE	10.7	10.7	10.7	10.7
Total Full/Part Time	10 FT/2 PT	10 FT/2 PT	10 FT/2 PT	10 FT/2 PT

3600 Water Enterprise

Budget Recommendations:

The FY2018 recommended Water operating budget is \$10,751,332 inclusive of indirect costs. The recommended budget is a \$12,441 or 0.12% increase over the FY2017 budget.

The budget for Compensation is \$701,128, and reflects a \$1,910 or 0.27% increase, which is a net increase attributable to additions for step increases and cost of living adjustments, offset by the replacement of staff at lower steps.

The budget for Expenses is \$427,025 which is an increase of \$23,000, or 5.69% over FY2017 attributable to various adjustments to budget lines which reflect historical spending levels.

Debt service is recommended to increase by \$57,852 or 4.11%.

The MWRA Preliminary Assessment is \$7,275,204, which is a decrease of \$74,457 or 1.01% from FY2017. The MWRA will issue its final assessment in June.

In FY2018, it is recommended that the Water Enterprise Fund begin contributing to the Other Post-Employment Benefits Trust Fund, with an initial amount of \$9,089. The relative amount of the contribution as a percentage of 2018 Water Normal Cost (20.43%) corresponds to the General Fund contribution.

Indirect payments to the General Fund to cover costs incurred by the General Fund in support of water operations are projected at \$872,458, a decrease of \$4,953 or 0.56%.

Program Improvement Requests:

None requested.

3600 Water Enterprise

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	-
Enterprise Funds						
Retained Earnings	\$ 500,000	\$ 275,000	\$ 221,500	\$ 73,000	\$ (148,500)	-
User Charges	\$ 9,440,624	\$ 10,118,443	\$ 10,208,618	\$ 10,369,559	\$ 160,941	1.58%
Meter Charges	\$ 60,076	\$ 70,162	\$ 60,000	\$ 60,000	\$ -	-
Investment Income	\$ 6,133	\$ 8,659	\$ 7,500	\$ 7,500	\$ -	-
Fees & Charges	\$ 271,552	\$ 316,651	\$ 241,273	\$ 241,273	\$ -	-
Total 3600 Water Enterprise	\$ 10,278,386	\$ 10,788,915	\$ 10,738,891	\$ 10,751,332	\$ 12,441	0.12%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 593,594	\$ 627,911	\$ 699,218	\$ 701,128	\$ 1,910	0.27%
Expenses	\$ 386,371	\$ 373,934	\$ 404,025	\$ 427,025	\$ 23,000	5.69%
Debt	\$ 1,378,688	\$ 1,307,938	\$ 1,408,576	\$ 1,466,428	\$ 57,852	4.11%
MWRA	\$ 6,035,893	\$ 6,695,144	\$ 7,349,661	\$ 7,275,204	\$ (74,457)	-1.01%
OPEB	\$ -	\$ -	\$ -	\$ 9,089	\$ 9,089	-
Indirects	\$ 789,275	\$ 898,614	\$ 877,411	\$ 872,458	\$ (4,953)	-0.56%
Total 3600 Water Enterprise	\$ 9,183,821	\$ 9,903,541	\$ 10,738,891	\$ 10,751,332	\$ 12,441	0.12%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 3610 Water Operations	\$ 2,358,653	\$ 2,309,783	\$ 2,511,819	\$ 2,594,580	\$ 82,761	3.29%
Total 3620 MWRA	\$ 6,035,893	\$ 6,695,144	\$ 7,349,661	\$ 7,275,204	\$ (74,457)	-1.01%
OPEB	\$ -	\$ -	\$ -	\$ 9,089	\$ 9,089	-
Indirects	\$ 789,275	\$ 898,614	\$ 877,411	\$ 872,458	\$ (4,953)	-0.56%
Total 3600 Water Enterprise	\$ 9,183,821	\$ 9,903,541	\$ 10,738,891	\$ 10,751,332	\$ 12,441	0.12%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 444,411	\$ 499,951	\$ 551,907	\$ 551,607	\$ (300)	-0.05%
Overtime	\$ 149,183	\$ 127,960	\$ 147,311	\$ 149,521	\$ 2,210	1.50%
Personal Services	\$ 593,594	\$ 627,911	\$ 699,218	\$ 701,128	\$ 1,910	0.27%
Contractual Services	\$ 158,228	\$ 137,301	\$ 203,025	\$ 215,525	\$ 12,500	6.16%
Utilities	\$ 13,025	\$ 16,215	\$ 5,500	\$ 10,500	\$ 5,000	90.91%
Supplies	\$ 188,934	\$ 204,777	\$ 161,500	\$ 167,000	\$ 5,500	3.41%
Small Capital	\$ 26,184	\$ 15,641	\$ 34,000	\$ 34,000	\$ -	0.00%
Expenses	\$ 386,371	\$ 373,934	\$ 404,025	\$ 427,025	\$ 23,000	5.69%
Debt	\$ 1,378,688	\$ 1,307,938	\$ 1,408,576	\$ 1,466,428	\$ 57,852	4.11%
MWRA	\$ 6,035,893	\$ 6,695,144	\$ 7,349,661	\$ 7,275,204	\$ (74,457)	-1.01%
OPEB	\$ -	\$ -	\$ -	\$ 9,089	\$ 9,089	-
Indirects	\$ 789,275	\$ 898,614	\$ 877,411	\$ 872,458	\$ (4,953)	-0.56%
Total 3600 Water Enterprise	\$ 9,183,821	\$ 9,903,541	\$ 10,738,891	\$ 10,751,332	\$ 12,441	0.12%

3700 Sewer Enterprise

Town of Lexington, Massachusetts

Mission: The Sewer Division ensures the proper and safe discharge of wastewater through the operation of pumping stations and by maintaining and improving the wastewater system 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 9,524 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.

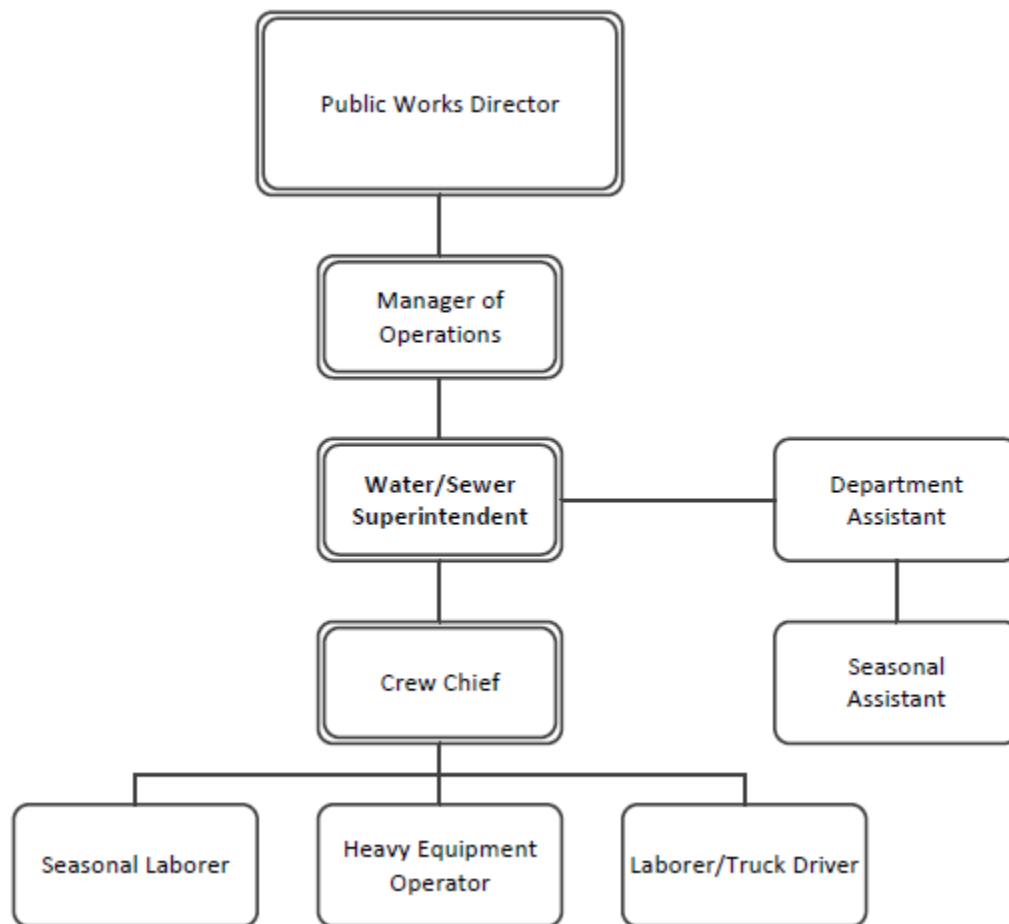
The MWRA provides wastewater treatment to Lexington and greater Boston at the Deer Island treatment facility.

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 FY2018, the Sewer Enterprise Fund will begin contributing 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 Sewer Collection System flushing program and root removal in all problem areas.
2. Continue to educate the public as to the costs and problems created by Inflow & Infiltration.
3. Continue the reaccreditation process through the American Public Works Association.

3700 Sewer Enterprise



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Supt of Water & Sewer	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	4.4	4.4	4.4	4.4
Total Full/Part Time	3 FT/4 PT	3 FT/4 PT	3 FT/4 PT	3 FT/4 PT

Explanatory Notes:

Seasonal Assistant works out of the Engineering Office but is funded by Sewer Enterprise.

3700 Sewer Enterprise

Budget Recommendations:

The FY2018 recommended Sewer operating budget, inclusive of indirect costs, is \$9,733,421, a \$336,674 or 3.58% increase over the FY2017 budget.

The budget for Compensation is \$308,749 and reflects a \$10,515 or 3.53% increase, which is attributable to increases for the cost of step increases and cost of living adjustments.

The budget for Expenses is \$356,525, a net increase of \$9,000 or 2.59%. A decrease of \$15,000 in electricity costs due to more efficient variable frequency drives installed in the main pump station is offset by increased maintenance costs for pump stations and generators, as well as recognition in the budget of payments to Arlington for water and sewer usage by Lexington residents.

Debt service is recommended to increase by \$82,129 or 8.37%.

The Preliminary MWRA Assessment is \$7,453,886, which is a \$188,016 or 2.59% increase from FY2017. The MWRA will issue its final assessment in June.

In FY2018, it is recommended that the Sewer Enterprise Fund begin contributing to the Other Post-Employment Benefits Trust Fund, with an initial amount of \$4,085. The relative amount of the contribution as a percentage of 2018 Sewer Normal Cost (20.43%) corresponds to the General Fund contribution.

Indirect payments to the General Fund for those costs borne by the General Fund in support of sewer operations are projected at \$546,827, an increase of \$42,929 or 8.52%.

Program Improvement Requests:

None requested.

3700 Sewer Enterprise

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	-	-	-	-	-	-
Enterprise Funds	-	-	-	-	-	-
Retained Earnings	\$ 50,000	\$ -	\$ -	\$ -	\$ -	-
User Charges	\$ 9,313,395	\$ 9,216,367	\$ 9,033,747	\$ 9,370,421	\$ 336,674	3.73%
Connection Fees	\$ 1,802	\$ 2,975	\$ -	\$ -	\$ -	-
Investment Income	\$ 6,241	\$ 11,070	\$ 6,200	\$ 6,200	\$ -	0.00%
Fees & Charges	\$ 554,828	\$ 533,274	\$ 356,800	\$ 356,800	\$ -	0.00%
Total 3700 Sewer Enterprise	\$ 9,926,266	\$ 9,763,685	\$ 9,396,747	\$ 9,733,421	\$ 336,674	3.58%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 217,497	\$ 209,514	\$ 298,234	\$ 308,749	\$ 10,515	3.53%
Expenses	\$ 334,817	\$ 296,176	\$ 347,525	\$ 356,525	\$ 9,000	2.59%
Debt	\$ 1,199,243	\$ 1,021,867	\$ 981,220	\$ 1,063,349	\$ 82,129	8.37%
MWRA	\$ 7,177,387	\$ 6,970,176	\$ 7,265,870	\$ 7,453,886	\$ 188,016	2.59%
OPEB	\$ -	\$ -	\$ -	\$ 4,085	\$ 4,085	-
Indirects	\$ 465,030	\$ 478,354	\$ 503,898	\$ 546,827	\$ 42,929	8.52%
Total 3700 Sewer Enterprise	\$ 9,393,974	\$ 8,976,087	\$ 9,396,747	\$ 9,733,421	\$ 336,674	3.58%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 3710 Sewer Enterprise	\$ 1,751,557	\$ 1,527,557	\$ 1,626,979	\$ 1,728,623	\$ 101,644	6.25%
Total 3720 MWRA	\$ 7,177,387	\$ 6,970,176	\$ 7,265,870	\$ 7,453,886	\$ 188,016	2.59%
OPEB	\$ -	\$ -	\$ -	\$ 4,085	\$ 4,085	-
Indirects	\$ 465,030	\$ 478,354	\$ 503,898	\$ 546,827	\$ 42,929	8.52%
Total 3700 Sewer Enterprise	\$ 9,393,974	\$ 8,976,087	\$ 9,396,747	\$ 9,733,421	\$ 336,674	3.58%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 166,303	\$ 169,508	\$ 230,334	\$ 239,831	\$ 9,497	4.12%
Overtime	\$ 51,194	\$ 40,006	\$ 67,900	\$ 68,919	\$ 1,019	1.50%
Personal Services	\$ 217,497	\$ 209,514	\$ 298,234	\$ 308,749	\$ 10,515	3.53%
Contractual Services	\$ 146,556	\$ 96,470	\$ 146,775	\$ 166,775	\$ 20,000	13.63%
Utilities	\$ 137,161	\$ 134,528	\$ 119,500	\$ 108,500	\$ (11,000)	-9.21%
Supplies	\$ 38,241	\$ 64,805	\$ 67,750	\$ 67,750	\$ -	-
Small Capital	\$ 12,859	\$ 373	\$ 13,500	\$ 13,500	\$ -	-
Expenses	\$ 334,817	\$ 296,176	\$ 347,525	\$ 356,525	\$ 9,000	2.59%
Debt	\$ 1,199,243	\$ 1,021,867	\$ 981,220	\$ 1,063,349	\$ 82,129	8.37%
MWRA	\$ 7,177,387	\$ 6,970,176	\$ 7,265,870	\$ 7,453,886	\$ 188,016	2.59%
OPEB	\$ -	\$ -	\$ -	\$ 4,085	\$ 4,085	-
Indirects	\$ 465,030	\$ 478,354	\$ 503,898	\$ 546,827	\$ 42,929	8.52%
Total 3700 Sewer Enterprise	\$ 9,393,974	\$ 8,976,087	\$ 9,396,747	\$ 9,733,421	\$ 336,674	3.58%

Section VI: Public Safety

Program 4000



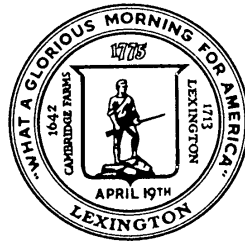
Law Enforcement
Fire & Rescue

Section VI: Program 4000: Public Safety

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for public safety. It includes:

- 4100 Law Enforcement VI-2
- 4200 Fire & Rescue VI-7

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4100 Law Enforcement

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 FY2016, the Police Department responded to 12,936 calls for service with 489 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; 4 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: two major case detectives, a family services detective, a narcotics/vice investigator, a Community Resource Officer (CRO) and a School Resource Officer (SRO).

The Dispatch division is comprised of nine civilian dispatchers responsible for directing the proper resources to over 15,000 service calls that require a police, fire or medical unit response. In FY2016 they answered 5,521 9-1-1 calls and almost 30,000 telephone calls.

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

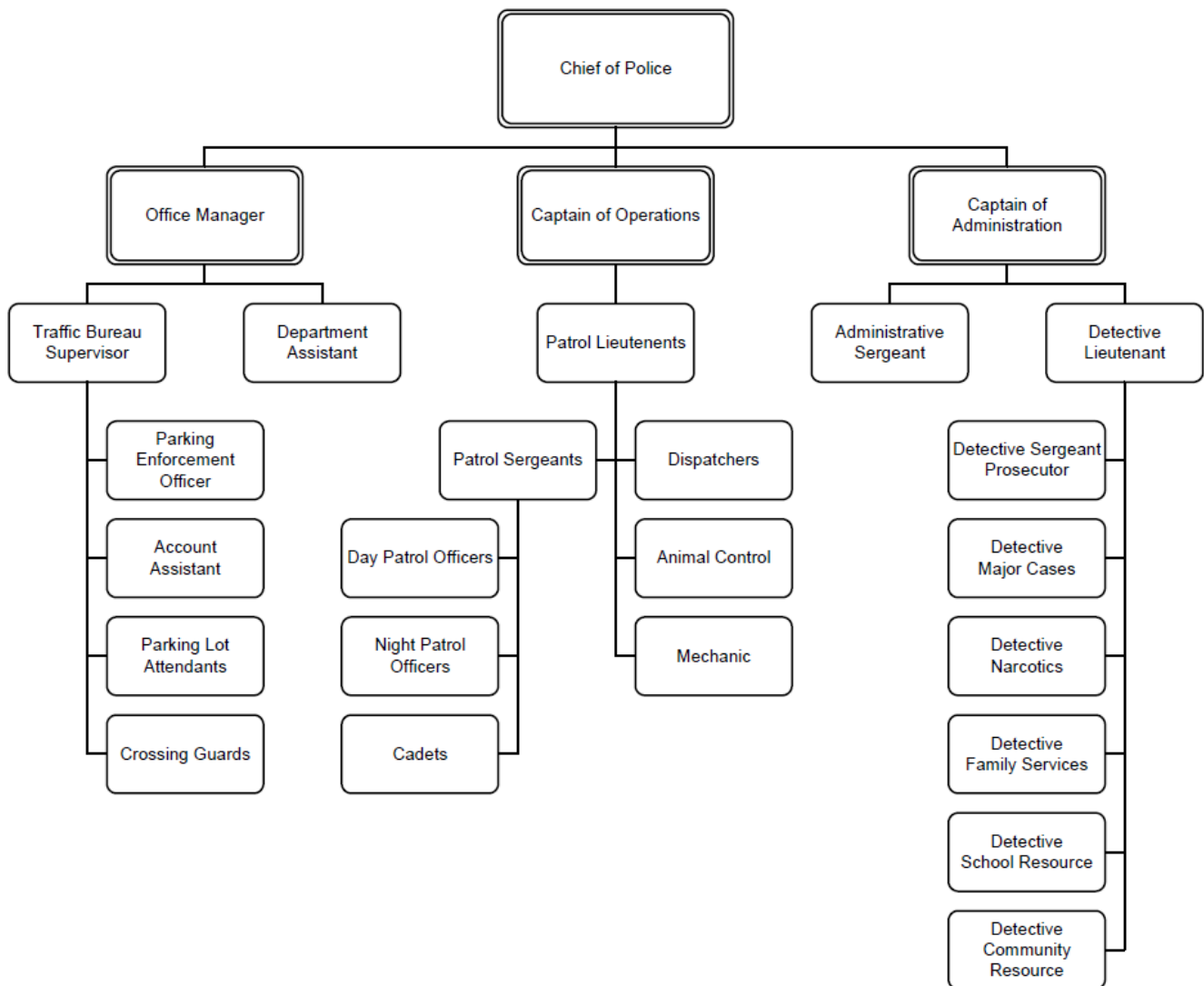
4100 Law Enforcement

work collaboratively with the Lexington Board of Health regarding animal related health issues.

The School Crossing guard program has 16 part-time civilian members who cover 14 school crossings during the school year.

Departmental Initiatives:

1. Implement the new ProPhoenix police/fire/emergency computer aided dispatching and record management system purchased in Fall 2016; and
2. Assist the Board of Selectmen with planning, budgeting and constructing a new police station and improvements to the Hartwell Avenue outdoor firing range.



4100 Law Enforcement

Authorized/Appropriated Staffing:

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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	28	29	29	29
Lieutenant (Detective)	1	1	1	1
Sergeant (Detective-Prosecutor)	1	1	1	1
Detectives; Major Case	2	2	2	2
Family Services Detective	1	1	1	1
School Resource Officer	1	1	1	1
Community Resource Officer	1	1	1	1
Narcotics/Vice Detective	1	1	1	1
Cadets	1.03	2.06	2.04	2.04
Parking Enforcement Officer	1	1	1	1
Dispatcher	9	9	9	9
Office Manager	1	1	1	1
Traffic Bureau Supervisor	1	1	1	1
Department Assistant	1	1	1	1
Department Account Assistant	1	1	1	1
Mechanic	1	1	1	1
Animal Control - 1 part-time	0.54	0.54	0	0
Parking Lot Attendants - 8 part-time	3.1	3.1	2.81	2.81
Crossing Guards - 16 part-time	3.48	3.48	3.48	3.48
FTE Total	72.2	74.18	73.33	73.33
	49 Officers	50 Officers	50 Officers	50 Officers
FT - PT Total	64FT/27PT	65FT/29PT	65FT/29PT	65FT/29PT

Overall staff changes from FY2015 to FY2018:

FY2016 - Cadets increased from 2 to 4 in FY2016. Cadets work 18 hours per week.

FY2016 - Additional funding for the 50th officer

FY2017 - Animal Control changed to contracted service from the Town of Bedford at 27 hours/week

4100 Law Enforcement

Budget Recommendations:

The FY2018 recommended Police Department budget is \$6,847,035 which is a \$25,208 or 0.37% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The budget for Compensation is \$5,974,508, and reflects a decrease of \$3,946 or 0.07%, which is a net change due to replacing recent retirees with staff at a lower step, and building in the cost of prospective step increases. FY2018 Compensation does not include any estimate of prospective cost of living increases not covered by current contracts. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The budget for Expenses is \$872,527 and reflects a \$29,154 or 3.46% increase, which is a net change primarily due to additional contractual costs for the new ProPhoenix software and new electronic parking meters.

Program Improvement Requests:

None Requested.

4100 Law Enforcement

Town of Lexington, Massachusetts

Budget Summary

Funding Sources (All Funds)	FY2015 Actual	FY2016 Estimated	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 5,584,556	\$ 6,253,866	\$ 6,021,140	\$ 6,061,385	\$ 40,246	0.67%
Fees & Charges						
Fees	\$ 114,067	\$ 82,500	\$ 108,545	\$ 104,000	\$ (4,545)	-4.19%
Fines & Forfeitures	\$ 284,355	\$ 274,569	\$ 303,000	\$ 302,300	\$ (700)	-0.23%
Licenses & Permits	\$ 2,350	\$ 2,963	\$ 2,350	\$ 2,350	\$ -	0.00%
Parking Meter Fund*	\$ 328,039	\$ 386,792	\$ 386,792	\$ 377,000	\$ (9,792)	-2.53%
Total 4100 Law Enforcement	\$ 6,313,367	\$ 7,000,691	\$ 6,821,827	\$ 6,847,035	\$ 25,208	0.37%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 5,580,343	\$ 6,224,424	\$ 5,978,454	\$ 5,974,508	\$ (3,946)	-0.07%
Expenses	\$ 733,024	\$ 776,267	\$ 843,373	\$ 872,527	\$ 29,154	3.46%
Total 4100 Law Enforcement	\$ 6,313,367	\$ 7,000,691	\$ 6,821,827	\$ 6,847,035	\$ 25,208	0.37%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 4110 Police Administration	\$ 1,253,235	\$ 1,316,231	\$ 1,355,789	\$ 1,369,632	\$ 13,843	1.02%
Total 4120 Patrol & Enforcement	\$ 3,275,029	\$ 3,736,202	\$ 3,455,592	\$ 3,419,993	\$ (35,599)	-1.03%
Total 4130 Traffic Bureau	\$ 308,275	\$ 341,995	\$ 385,399	\$ 411,354	\$ 25,955	6.73%
Total 4140 Investigations	\$ 714,475	\$ 821,837	\$ 756,458	\$ 749,512	\$ (6,946)	-0.92%
Total 4150 Dispatch	\$ 594,708	\$ 602,129	\$ 660,660	\$ 686,211	\$ 25,551	3.87%
Total 4160 Animal Control	\$ 23,892	\$ 36,688	\$ 58,600	\$ 61,004	\$ 2,405	4.10%
Total 4170 Crossing Guards	\$ 143,752	\$ 145,608	\$ 149,329	\$ 149,329	\$ -	0.00%
Total 4100 Law Enforcement	\$ 6,313,367	\$ 7,000,691	\$ 6,821,827	\$ 6,847,035	\$ 25,208	0.37%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 4,697,976	\$ 5,189,117	\$ 5,219,773	\$ 5,192,990	\$ (26,784)	-0.51%
Overtime	\$ 882,367	\$ 1,035,307	\$ 758,681	\$ 781,519	\$ 22,838	3.01%
<i>Personal Services</i>	<i>\$ 5,580,343</i>	<i>\$ 6,224,424</i>	<i>\$ 5,978,454</i>	<i>\$ 5,974,508</i>	<i>\$ (3,946)</i>	<i>-0.07%</i>
Contractual Services	\$ 200,363	\$ 245,763	\$ 315,474	\$ 352,930	\$ 37,456	11.87%
Utilities	\$ 130,489	\$ 97,207	\$ 114,845	\$ 108,543	\$ (6,302)	-5.49%
Supplies	\$ 201,715	\$ 212,092	\$ 186,660	\$ 184,660	\$ (2,000)	-1.07%
Small Capital	\$ 200,456	\$ 221,204	\$ 226,394	\$ 226,394	\$ -	0.00%
<i>Expenses</i>	<i>\$ 733,024</i>	<i>\$ 776,267</i>	<i>\$ 843,373</i>	<i>\$ 872,527</i>	<i>\$ 29,154</i>	<i>3.46%</i>
Total 4100 Law Enforcement	\$ 6,313,367	\$ 7,000,691	\$ 6,821,827	\$ 6,847,035	\$ 25,208	0.37%

*The revenue from the Parking Meter Fund includes parking permits, fees from the Depot Square lot, and meter revenue.

4200 Fire & Rescue

Mission: The Lexington Fire & Rescue 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 & Rescue Department is comprised of five divisions: Administration, Fire Prevention, Fire Suppression, Emergency Medical Services and Emergency Management.

The Administration division is responsible for developing policies and procedures, training, inventory control, financial and budgetary oversight, and managing the day-to-day operations of the Department.

The Fire Prevention division 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.

The Fire Suppression division 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.

The Emergency Medical Services division operates in conjunction with the Fire Suppression division, staffing one ambulance 24/7 at the Advanced Life Support (ALS) level, and a second ambulance operating at the ALS level from 8:00 AM Monday through 8:00 AM Saturday, and available over the weekend through cross-staffing when the ladder truck is available. These vehicles respond to over 2,500 calls for assistance annually.

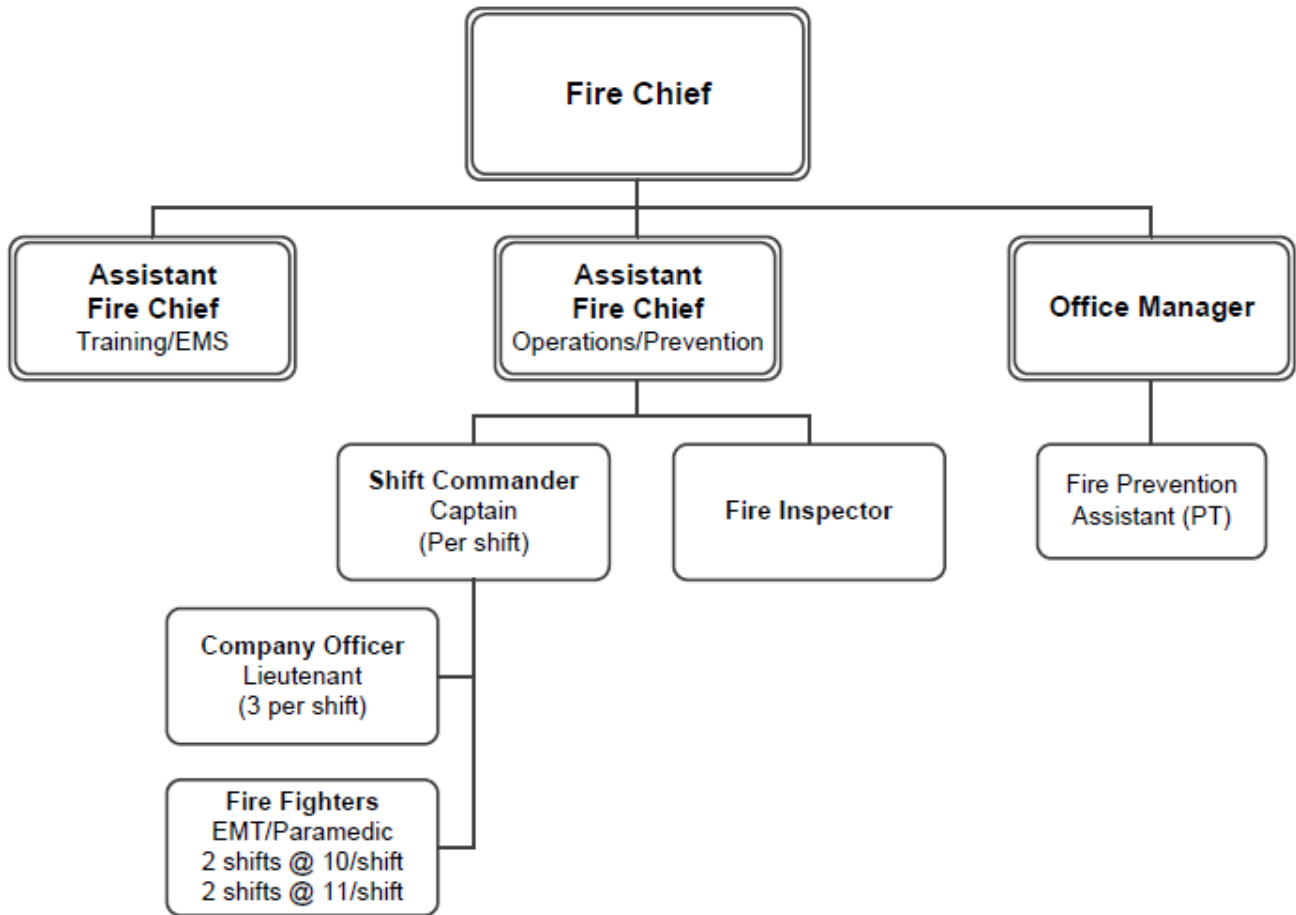
The Emergency Management division is responsible for communications with the Federal Emergency Management Agency (FEMA) and the Massachusetts Emergency Management Agency (MEMA) as well as reviewing and commenting on numerous Town-wide emergency operation plans. The Chief serves as the Emergency Management Director and the department's administrative staff serves as support to this division.

Departmental Initiatives:

1. Continue to assist the Board of Selectmen to move the new fire station project forward.
2. Department wide training and implementation of new Public Safety Dispatch and Records Management Software.
3. Increase community education through collaboration with other programs.

4200 Fire & Rescue

Town of Lexington, Massachusetts



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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	38	42	42	42
Firefighters/Paramedics (Grant Funded)*	4	0	0	0
Fire Prevention Assistant	0.86	0.86	0.86	0.86
FTE Total	63.86	63.86	63.86	63.86
Full-Time/Part-time Total	63FT/1PT	63FT/1PT	63FT/1PT	63FT/1PT

Explanatory Notes:

*4 full-time positions were funded through the SAFER grant award, but federal funding expired as of January 2015. At the expiration of the grant, the Town assumed funding for these positions, which accounts for the increase of Firefighters/Paramedics from 38 in FY2015 to 42 in FY2016.

4200 Fire & Rescue

Budget Recommendations:

The FY2018 recommended General Fund Fire Department budget is \$6,421,971. The recommended budget is a \$3,856 or 0.06% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The recommended budget for Compensation is \$5,863,961, and reflects a decrease of \$11,904 or 0.20%, which is a net change attributable to the cost of contractually obligated step increases, offset by the replacement of retiring staff at lower steps. FY2018 Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The budget for Expenses is \$558,011 and reflects a net increase of \$15,761 or 2.91%, which is the result of removing \$8,000 for a piece of specialized equipment purchased in FY2017, increasing ambulance contract services by \$10,000 to reflect higher utilization, and adjusting fuel costs to reflect projected results of a regional cooperative bid.

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	
Ambulance Staffing, 2 FTE's	\$ 140,600	\$ 33,772	\$ 174,372	\$ -	\$ -	\$ -	\$ 174,372

4200 Fire & Rescue

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 4,854,365	\$ 4,843,760	\$ 5,100,003	\$ 5,071,121	\$ (28,882)	-0.57%
Enterprise Funds (Indirects)	-	-	-	-	-	-
Fees & Charges	-	-	-	-	-	-
Ambulance Fees	\$ 1,012,005	\$ 1,395,031	\$ 1,267,255	\$ 1,300,000	\$ 32,745	2.58%
Fire Department Fees	\$ 50,170	\$ 47,175	\$ 48,507	\$ 48,500	\$ (7)	-0.01%
Licenses & Permits	\$ 2,350	\$ 2,963	\$ 2,350	\$ 2,350	\$ -	0.00%
SAFER Grant	\$ 193,087	\$ -	\$ -	\$ -	\$ -	-
Total 4200 Fire/EMS	\$ 6,111,977	\$ 6,288,928	\$ 6,418,115	\$ 6,421,971	\$ 3,856	0.06%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 5,591,724	\$ 5,793,416	\$ 5,875,865	\$ 5,863,961	\$ (11,904)	-0.20%
Expenses	\$ 520,253	\$ 495,512	\$ 542,250	\$ 558,011	\$ 15,761	2.91%
Total 4200 Fire/EMS	\$ 6,111,977	\$ 6,288,928	\$ 6,418,115	\$ 6,421,971	\$ 3,856	0.06%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 4210 Fire Administration	\$ 439,534	\$ 418,466	\$ 435,520	\$ 450,775	\$ 15,255	3.50%
Total 4220 Fire Prevention	\$ 215,544	\$ 241,451	\$ 230,470	\$ 223,777	\$ (6,693)	-2.90%
Total 4320 Fire Suppression	\$ 5,322,377	\$ 5,460,271	\$ 5,586,626	\$ 5,576,920	\$ (9,706)	-0.17%
Total 4240 Emergency Medical Services	\$ 130,559	\$ 164,721	\$ 159,500	\$ 164,500	\$ 5,000	3.13%
Total 4250 Emergency Management	\$ 3,964	\$ 4,018	\$ 6,000	\$ 6,000	\$ -	0.00%
Total 4200 Fire/EMS	\$ 6,111,977	\$ 6,288,928	\$ 6,418,115	\$ 6,421,971	\$ 3,856	0.06%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 4,706,466	\$ 4,802,997	\$ 5,020,865	\$ 4,988,961	\$ (31,904)	-0.64%
Overtime	\$ 885,259	\$ 990,419	\$ 855,000	\$ 875,000	\$ 20,000	2.34%
Personal Services	\$ 5,591,724	\$ 5,793,416	\$ 5,875,865	\$ 5,863,961	\$ (11,904)	-0.20%
Contractual Services	\$ 242,364	\$ 260,919	\$ 297,200	\$ 311,592	\$ 14,392	4.84%
Utilities	\$ 56,849	\$ 41,342	\$ 41,400	\$ 51,969	\$ 10,569	25.53%
Supplies	\$ 135,038	\$ 174,498	\$ 162,550	\$ 162,950	\$ 400	0.25%
Small Capital	\$ 86,002	\$ 18,752	\$ 41,100	\$ 31,500	\$ (9,600)	-23.36%
Expenses	\$ 520,253	\$ 495,512	\$ 542,250	\$ 558,011	\$ 15,761	2.91%
Total 4200 Fire/EMS	\$ 6,111,977	\$ 6,288,928	\$ 6,418,115	\$ 6,421,971	\$ 3,856	0.06%

Appropriation Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 5,398,636	\$ 5,793,416	\$ 5,875,865	\$ 5,863,961	\$ (11,904)	-0.20%
Expenses	\$ 520,253	\$ 495,512	\$ 542,250	\$ 558,011	\$ 15,761	2.91%
Total 4200 Fire/EMS	\$ 5,918,889	\$ 6,288,928	\$ 6,418,115	\$ 6,421,971	\$ 3,856	0.06%

Appropriation Summary (Non-Gen'l Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation			\$ -	\$ -	\$ -	-
4230 Fire Suppression	\$ 193,087	\$ -	\$ -	\$ -	\$ -	-
Total 4200 Fire/EMS	\$ 193,087	\$ -	\$ -	\$ -	\$ -	-

Section VII: Culture and Recreation/Community Programs

Program 5000

Cary Memorial Library
Recreation and Community Programs



Section VII: Program 5000: Culture & Recreation

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for culture & recreation services. It includes:

- 5100 Cary Memorial Library VII-2
- 5200 Recreation and Community Programs VII-6

5100 Cary Memorial Library

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: General and Technical Services, Adult Services, and Youth Services.

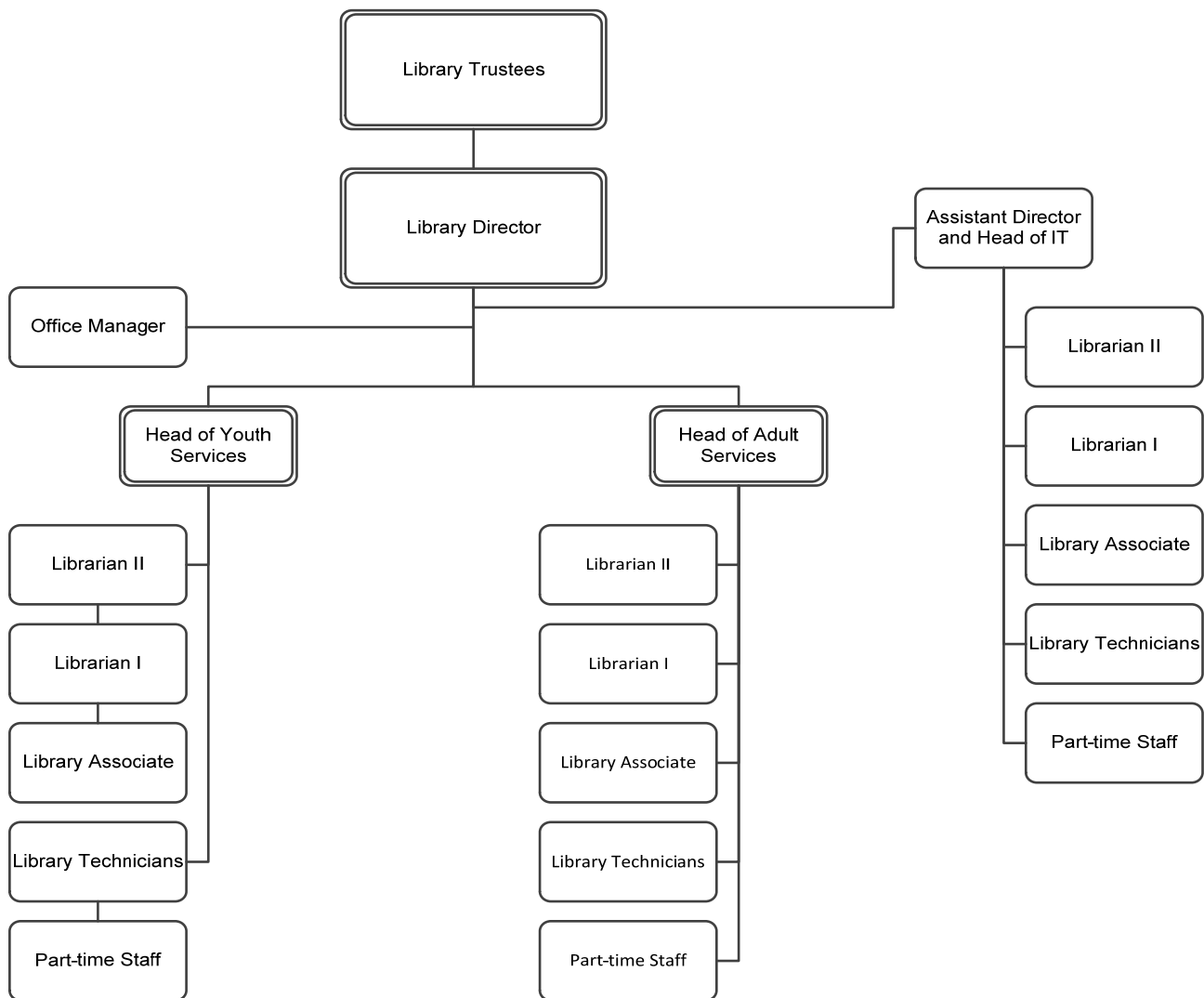
- General and Technical Services includes the administrative staff as well as the supply, equipment, and Minuteman Library Network membership costs.
- Adult Services includes all adult library, technology, and bibliographic services staff as well as adult, teen, and audiovisual materials.
- Youth Services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

Departmental Initiatives:

1. **Books and Information:** To build and maintain a collection to reflect community needs and expectations, to include varying points of view and to respond to changing interests and demographics. To keep abreast of an ever-evolving variety of materials and to provide the content users want in the format they prefer.
2. **People and Connections:** To foster connections by helping users find exactly what they need and by putting them in touch with the intellectual and creative resources of the community. Library staff provides personal service both in the library and online.
3. **Ideas and Inspiration:** To be more than a place where books are stored. To be a place where ideas are created, discovered and shared. Recognize that users are inspired by more than words on a page - users find value in music, art, multimedia and all forms of expression. To provide a venue to find and explore content, and also to create and share it.
4. **Technology and Innovation:** The world is changing and the ways in which users experience books, gather information and create content will continue to evolve. The Library will help users navigate these changes, explore new formats and experiment with innovative devices in an environment where both experts and novices are welcome.
5. **Generations and Cultures:** The Library's collections, services and programs reflect the broad and deep interests of the community. The staff will strive to be responsive to users' needs across generations and cultures.
6. **Individual and Community:** To be a vibrant, bustling facility located in the heart of Lexington. To provide a quiet space to read, write and think as well as space to talk, laugh and learn together.

5100 Cary Memorial Library

Program: Culture & Recreation
Town of Lexington, Massachusetts



Authorized/Appropriated Staffing:

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request*
Library Director	1	1	1	1
Assistant Director/Head of Technology	1	1	1	1
Office Manager	1	1	1	1
Head of Adult Services	1	1	1	1
Head of Technology	1	0	0	0
Head of Youth Services	1	1	1	1
Circulation Supervisor	1	1	0	0
Librarians	9	10	10	9.9
Library Associates	2	2	6	6
Library Technicians	14.6	14.6	11.3	11.1
Adult Pages	1.3	1.3	1.6	1.6
Student Pages	0.6	0.6	0.6	0.6
Seasonal/Sunday Substitutes	As Needed	As Needed	As Needed	As Needed
Total FTE	34.5	34.5	34.5	34.2
Total FT/PT	26FT/22PT	26FT/22PT	26FT/22PT	26FT/23PT

*FY2018 reflects a correction in FTE value, and does not reflect a net decrease to staffing.

5100 Cary Memorial Library

Budget Recommendations:

The FY2018 recommended General Fund Library budget is \$2,534,144, which is a \$65,545 or 2.66% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The General Fund operating budget for Compensation is \$2,098,338, and reflects a \$38,266, or 1.86% increase, which is attributable to a program improvement request to provide additional Sunday staffing in the Teen Space, as well as the cost of contractually obligated step increases not covered by current contracts. FY2018 Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The General Fund operating budget for Expenses is \$435,806 and reflects a \$27,279 or 6.68% increase, which is primarily driven by increases for supplies and materials.

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 which substantially closed this funding gap. The FY2018 materials budget maintains the Town’s commitment to the FY2016 funding levels.

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	
Additional Sunday staffing for Teen Space	\$ 5,739	\$ -	\$ 5,739	\$ 5,739	\$ -	\$ 5,739	\$ -

5100 Cary Memorial Library

Program: Culture & Recreation
Town of Lexington, Massachusetts

Budget Summary:

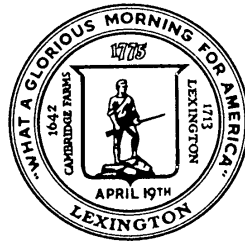
Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 2,137,906	\$ 2,394,198	\$ 2,468,599	\$ 2,534,144	\$ 65,545	2.66%
Total 5100 Library	\$ 2,137,906	\$ 2,394,198	\$ 2,468,599	\$ 2,534,144	\$ 65,545	2.66%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,866,567	\$ 2,008,885	\$ 2,060,072	\$ 2,098,338	\$ 38,266	1.86%
Expenses	\$ 271,339	\$ 385,313	\$ 408,527	\$ 435,806	\$ 27,279	6.68%
Total 5100 Library	\$ 2,137,906	\$ 2,394,198	\$ 2,468,599	\$ 2,534,144	\$ 65,545	2.66%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 5110 General & Tech. Services	\$ 397,396	\$ 442,698	\$ 460,696	\$ 469,188	\$ 8,492	1.84%
Total 5120 Adult Library	\$ 1,326,903	\$ 1,443,644	\$ 1,443,969	\$ 1,421,146	\$ (22,823)	-1.58%
Total 5130 Children's Library	\$ 413,607	\$ 507,856	\$ 563,935	\$ 643,810	\$ 79,875	14.16%
Total 5100 Library	\$ 2,137,906	\$ 2,394,198	\$ 2,468,599	\$ 2,534,144	\$ 65,545	2.66%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,821,736	\$ 1,961,214	\$ 2,016,212	\$ 2,042,486	\$ 26,274	1.30%
Overtime (Sunday Premium)	\$ 44,831	\$ 47,671	\$ 43,860	\$ 55,852	\$ 11,992	27.34%
<i>Personal Services</i>	<i>\$ 1,866,567</i>	<i>\$ 2,008,885</i>	<i>\$ 2,060,072</i>	<i>\$ 2,098,338</i>	<i>\$ 38,266</i>	<i>1.86%</i>
Contractual Services	\$ 82,459	\$ 91,044	\$ 95,831	\$ 101,800	\$ 5,969	6.23%
Utilities	\$ 10,502	\$ 12,144	\$ 12,200	\$ 12,200	\$ -	0.00%
Supplies	\$ 146,426	\$ 246,137	\$ 257,493	\$ 281,806	\$ 24,313	9.44%
Small Capital	\$ 31,952	\$ 35,988	\$ 43,003	\$ 40,000	\$ (3,003)	-6.98%
Expenses	\$ 271,339	\$ 385,313	\$ 408,527	\$ 435,806	\$ 27,279	6.68%
Total 5100 Library	\$ 2,137,906	\$ 2,394,198	\$ 2,468,599	\$ 2,534,144	\$ 65,545	2.66%

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5200 Recreation & Community Programs

Town of Lexington, MA

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: In 1991, the Recreation Department began to operate as an Enterprise Fund whereby program and facility fees were anticipated to cover the 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 Board of Selectmen. The operating budget supports staff who manage and deliver programs along with the supplies needed to operate those programs.

Program revenues (Recreation, Pine Meadows Golf Club and Lexington Community Center) also help fund Capital Improvement Projects and reimburse the General Fund for Recreation-related Town expenses. In FY2018, the Department is contributing \$254,826 to the General Fund to cover the costs of employee benefits and indirect services funded in the General Fund that support the services provided by the Department's Recreation and Pine Meadows Golf Course Divisions. The Fund also contributes \$100,000 towards the debt service payment for Lincoln Park, which is scheduled to be retired in February 2018.

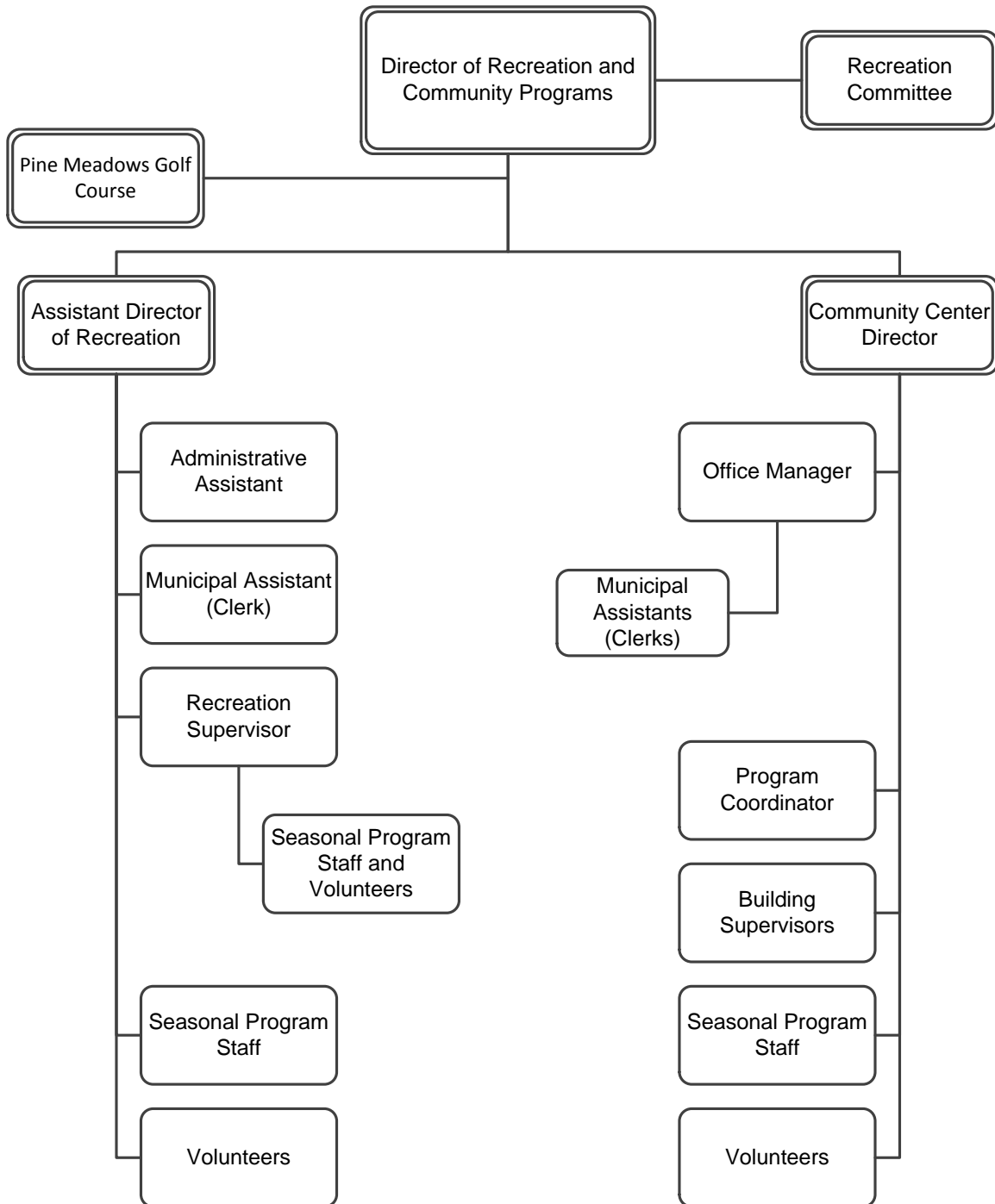
The Department offers a wide variety of leisure, socialization and recreational opportunities for individuals of all ages and abilities. Recreation and leisure programs that were formerly provided by the Human Services Department are now being offered by the Department of Recreation and Community Programs. General program areas include: summer youth clinics, camps and classes, tennis, aquatics, youth, adult & "Forever Young" programs, leagues and special events. Departmental staff plan, schedule and coordinate programs, activities and special events using facilities that include the Lexington Community Center, schools, Cary Hall, neighborhood parks and playgrounds, tennis and basketball courts, playing fields, the Irving H. Mabee Pool Complex, the Old Reservoir, Pine Meadows Golf Club, the Jack Eddison Memorial Bikeway, Teresa & Roberta Lee Fitness-Nature Path and other hiking/nature trails.

Departmental Initiatives:

1. Expand Community Center program opportunities.
2. Update the Departments Internal Controls and Create a Consistent Format for Implementation.
3. Continued implementation of the Recreation and Community Programs Department Strategic Plan.
4. Develop a plan for instituting an ID membership system for use by participants at all Recreation and Community Programs Department programs and facilities.
5. Research potential local, state and federal grants that could assist with program costs and capital improvement projects.

5200 Recreation & Community Programs

Town of Lexington, MA



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

Authorized/Appropriated Staffing

Program: 5000 Culture & Recreation

Subprogram: 5210 Recreation

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Director of Recreation and Community Programs	0	1	1	1
Director of Recreation	1	0	0	0
Assistant Director	1	1	1	1
Municipal Assistant (Clerk)	1.34	1.34	1.34	1.34
Administrative Assistant	1	1	1	1
Recreation Supervisor	1	1	1	1
Seasonal (Part Time)	175+/-	175+/-	175+/-	225+/-
Total FTE	5.34 FTE + Seasonal	5.34 FTE + Seasonal	5.34 FTE + Seasonal	5.34 FTE + Seasonal
Total	5FT/1PT + Seasonal	5FT/1PT + Seasonal	5FT/1PT + Seasonal	5FT/1PT + Seasonal

Program: 5000 Culture & Recreation

Subprogram: 5230 Community Center

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Community Center Director	0	1	1	1
Office Manager	0	1	1	1
Municipal Assistant (Clerk) ¹	0	1.5	2	2
Program Coordinator	0	1	1	1
Evening/Weekend Bldg Supervisor	0	1	1	1
Seasonal (Part Time)	0	50+/-	50+/-	50+/-
Total FTE	0	5.5 FTE + Seasonal	6 FTE + Seasonal	6 FTE + Seasonal
Total	0	5FT/1PT + Seasonal	6 FT + Seasonal	6 FT + Seasonal

¹Municipal Assistant (Clerk) hours increased to full-time in FY2017.

5200 Recreation & Community Programs

Budget Recommendations:

The FY2018 recommended budget for the Department of Recreation and Community Programs – comprised of the Pine Meadows Golf Course operation, and Recreation and Community Center programming – is \$2,979,940. The recommended budget is a \$105,827 or 3.68% increase over the FY2017 budget and is driven primarily by an increase in the hourly rate for Seasonal staff in line with State minimum wage increases. It should be noted that historically the Recreation and Community Programs Department operating budget has been supported solely from program fees. In FY2016, with the addition of the operation and programming of the Community Center, it was proposed that the tax levy contribute to funding for the Department budget. This tax levy support will continue in FY2018, with \$220,152 being proposed in General Fund support of the Community Center operations.

The Community Center budget supports staff that plans, schedules, coordinates, manages, supervises and delivers community programs along with the supplies needed to operate these programs. 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 customer service counter at the Center provides support for the Community Center, the Human Services Department and the Recreation Division, allowing for one-stop shopping for services and programs.

The recommended budget for Compensation is \$1,308,669, and reflects a \$117,926 or 9.9% increase which is driven by the cost of prospective step increases, prospective cost-of-living adjustments as well as an increase in hourly rates for Seasonal staff in line with state minimum wage increases. The shared customer service clerk at the Community Center was supported by the General Fund in FY2017 will now be supported by the Recreation Enterprise Fund beginning in FY2018.

The recommended budget for Expenses is \$1,316,445 and reflects a \$19,100 or 1.43% decrease from FY2017, primarily due to a reduction in Contractual Services as more Community Center programs have been led by seasonal staff members rather than vendors.

The recommended budget for Expenses for the operation of the Pine Meadows Golf Course of \$545,520 reflects a net increase of \$4,045 or 0.75% due to a \$4,400 increase in the annual cost of the contract for the management of the golf course and credit card service fees.

There is an increase of \$7,000, or 2.82% in indirect payments to the General Fund to support those costs incurred in the General Fund that support the Recreation Enterprise Fund.

Program Improvement Requests:

None requested.

5200 Recreation & Community Programs

Town of Lexington, MA

Budget Summary

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ -	\$ 216,836	\$ 253,007	\$ 220,152	\$ (32,855)	-12.99%
Enterprise Funds	\$ -	\$ -	\$ -	\$ -	\$ -	-
Retained Earnings	\$ 375,000	\$ 375,000	\$ 375,000	\$ 375,000	\$ -	0.00%
Recreation User Charges	\$ 1,280,593	\$ 1,284,068	\$ 1,012,996	\$ 1,073,235	\$ 60,239	5.95%
Community Center User Charges	\$ -	\$ 278,506	\$ 454,810	\$ 533,253	\$ 78,443	17.25%
Golf User Charges	\$ 775,337	\$ 852,038	\$ 775,000	\$ 775,000	\$ -	-
Bond Premiums & Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	-
Investment Income	\$ 3,353	\$ 3,218	\$ 3,300	\$ 3,300	\$ -	-
Total 5200 Recreation	\$ 2,434,282	\$ 3,009,665	\$ 2,874,113	\$ 2,979,940	\$ 105,827	3.68%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 657,739	\$ 1,034,703	\$ 1,190,742	\$ 1,308,669	\$ 117,926	9.90%
Expenses	\$ 981,628	\$ 1,075,722	\$ 1,335,545	\$ 1,316,445	\$ (19,100)	-1.43%
Debt Service	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	0.00%
Indirect Costs (Trans. to Gen. Fund)	\$ 233,600	\$ 240,608	\$ 247,826	\$ 254,826	\$ 7,000	2.82%
Total 5200 Recreation	\$ 1,972,967	\$ 2,451,033	\$ 2,874,113	\$ 2,979,940	\$ 105,827	3.68%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 5210 Recreation	\$ 1,254,496	\$ 1,216,449	\$ 1,357,054	\$ 1,412,709	\$ 55,656	4.10%
Total 5220 Pine Meadows	\$ 484,870	\$ 485,378	\$ 541,475	\$ 545,520	\$ 4,045	0.75%
Total 5230 Community Center	\$ -	\$ 508,598	\$ 727,759	\$ 766,884	\$ 39,126	5.38%
Indirect Costs	\$ 233,600	\$ 240,608	\$ 247,826	\$ 254,826	\$ 7,000	2.82%
Total 5200 Recreation	\$ 1,972,967	\$ 2,451,033	\$ 2,874,113	\$ 2,979,940	\$ 105,827	3.68%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 657,739	\$ 1,034,703	\$ 1,190,742	\$ 1,308,669	\$ 117,926	9.90%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
Personal Services	\$ 657,739	\$ 1,034,703	\$ 1,190,742	\$ 1,308,669	\$ 117,926	9.90%
Contractual Services	\$ 820,744	\$ 910,080	\$ 1,136,425	\$ 1,124,070	\$ (12,355)	-1.09%
Utilities	\$ 51,320	\$ 57,092	\$ 61,575	\$ 56,180	\$ (5,395)	-8.76%
Supplies	\$ 77,210	\$ 82,427	\$ 128,045	\$ 127,195	\$ (850)	-0.66%
Small Capital	\$ 32,353	\$ 26,123	\$ 9,500	\$ 9,000	\$ (500)	-5.26%
Expenses	\$ 981,628	\$ 1,075,722	\$ 1,335,545	\$ 1,316,445	\$ (19,100)	-1.43%
Debt	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	0.00%
Indirect	\$ 233,600	\$ 240,608	\$ 247,826	\$ 254,826	\$ 7,000	2.82%
Total 5200 Recreation	\$ 1,972,967	\$ 2,451,033	\$ 2,874,113	\$ 2,979,940	\$ 105,827	3.68%

Section VIII: Human Services

Program 6000



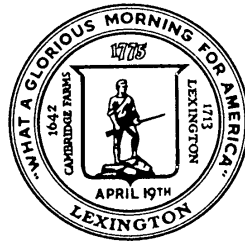
Administration
Veterans Services
Youth and Family Services
Senior Services and
Community Programs
Transportation Services

Section VIII: Program 6000: Human Services

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for Human Services. It includes:

- 6100-6200 Administration; Veterans' Services; Youth and Family Services; Senior Services and Community Programs; and Transportation Services
- VIII - 2

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6100-6200 Human Services

Mission: The Human Services Department connects Lexington residents of all ages to information, support and educational services; and is responsible for managing the Lexpress bus system and other transportation initiatives. The department seeks to identify the unmet needs of our community by providing outreach and prevention services that promote physical, mental health and wellbeing for families, seniors, veterans and youth.

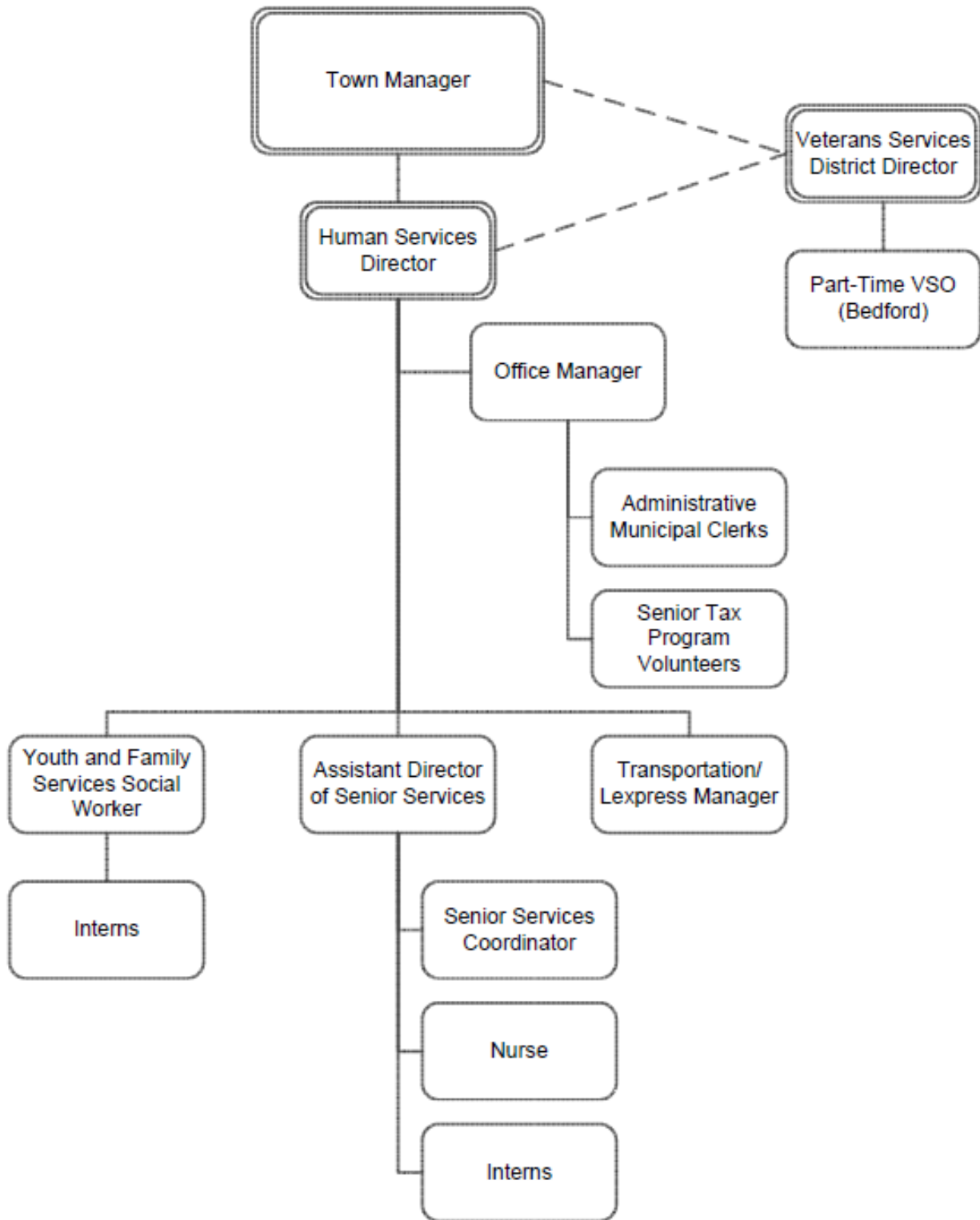
Budget Overview: The Human Services Department is organized to provide service delivery to residents of all ages. Assistant Directors, Managers and Coordinators oversee the following divisions: Administration and Community Programs, Senior Services, Youth and Family Services, Veterans' Services, and Transportation Services. In 2015, all Human Services divisions moved to the Lexington Community Center. Attendance, walk in visits, phone calls and requests for information have increased greatly since the move to the Community Center.

Staff from Senior Services and Youth and Family Services provide senior, youth and intergenerational programming, assessments, information and referrals, counseling, financial assistance, consultation, support and coordination of services. Veterans' services staff work with colleagues to plan Town celebrations and special events, and provide veterans in Lexington and Bedford with information, benefits and support. The Transportation Services division will begin a new Lexpress bus service contract in July 2017.

Departmental Initiatives:

1. Work towards implementing department-wide financial and electronic record keeping system.
2. Continue to collaborate with the Recreation and Community Programs Department to provide best practices in shared customer services, operations and safety at the Community Center.
3. Interdepartmental collaboration to assess unmet needs for youth and families, and provide relevant programming at the Community Center and in the community.
4. Continued expansion of recruitment and development of volunteer program to reach all ages of the Lexington Community.

6100-6200 Human Services



6100-6200 Human Services

Authorized/Appropriated Staffing:

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Director of Human Services	1	1	1	1
Assistant Director of Senior Services	0.8	1	1	1
Youth and Family Services Social Worker	1	1	1	1
Youth and Family Services Program Coordinator ¹	0.8	-	-	-
Municipal Clerk (Part Time) ¹	0.5	-	-	-
Senior Services Coordinator	1	1	1	1
Senior Services Nurse	0.42	0.42	0.42	0.42
Office Manager	1	1	1	1
Municipal Clerk (Part Time)	0.5	0.5	0.5	0.5
Veterans' Services District Director ²	1	1	1	1
Veterans' Services Officer	0.4	0.51	0.51	0.51
Transportation Services Manager	1	0.69	0.69	0.69
Municipal Assistant ³	0.6	0.6	0.8	0.8
Registered Dietician ⁴	-	-	PT	PT
Volunteer Coordinator ⁴	-	-	PT	PT
Total FTE	10.0	8.72	8.92	8.92
Total FT/PT	6(FT)/7(PT)	6(FT)/5(PT)	6(FT)/7(PT)	6(FT)/7(PT)

Explanatory Notes:

- (1) The Youth and Family Program Coordinator and Municipal Clerk positions were moved to the Department of Recreation and Community Programs in FY2016.
- (2) As part of Veterans' District agreement with the Town of Bedford, the Veterans' Services District Director supervises the part time Veterans' Services Officer (VSO). The VSO is 100% funded by the Town of Bedford.
- (3) Municipal Assistant hours were increased from 20 to 28 hours in FY2017. Funds were re-allocated from Supportive Living expenses to accommodate this increase.
- (4) Due to increased EOE formula grant funding, the part-time temporary positions of Registered Dietician and Volunteer Coordinator were added in FY2017.

6100-6200 Human Services**Budget Recommendations:**

The requested FY2018 All Funds Human Services budget is \$1,518,165 which is a \$57,853, or 3.96%, increase over the restated FY2017 budget. The budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting. 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 (formerly known as the Council on Aging Programs Revolving Fund). In addition, the Town of Bedford funds a portion of the Veterans' Services budget through a Veterans' District agreement.

The Human Services FY2018 recommended General Fund operating budget request is \$1,294,913 and reflects an \$80,151 or 6.60% increase over the restated FY2017 budget.

The General Fund operating budget for Compensation is \$541,106, and reflects a \$7,323 or 1.37% increase, which is attributable to the cost of contractually obligated step increases. FY2018 Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The General Fund operating budget for Expenses is \$753,807 and reflects a \$72,828 or 10.69% increase, which is a net change primarily driven by the rebidding of the Lexpress bus service contract, which expires on June 30, 2017.

Program Improvement Requests:

None Requested.

6100-6200 Human Services

Budget Summary:

Funding Sources (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 813,148	\$ 881,196	\$ 945,209	\$ 1,056,413	\$ 111,203	11.76%
Veteran Benefits Reimbursement	\$ 92,504	\$ 72,437	\$ 92,552	\$ 70,500	\$ (22,052)	-23.83%
Community Program Revolving Fund	\$ 45,701	\$ 28,414	\$ 75,000	\$ 50,000	\$ (25,000)	-33.33%
Fees						
Express Fares	\$ 80,215	\$ 77,031	\$ 86,000	\$ 77,000	\$ (9,000)	-10.47%
Available Funds			\$ -	\$ -	\$ -	-
Grants/Regional Funding Veterans	\$ 135,419	\$ 156,904	\$ 170,551	\$ 173,252	\$ 2,701	1.58%
TDM Allocation	\$ 88,000	\$ 91,600	\$ 91,000	\$ 91,000	\$ -	0.00%
Total 6000 Human Services All Funds	\$ 1,254,986	\$ 1,307,583	\$ 1,460,312	\$ 1,518,165	\$ 57,853	3.96%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 542,101	\$ 562,735	\$ 628,033	\$ 635,895	\$ 7,862	1.25%
Expenses	\$ 712,885	\$ 744,848	\$ 832,279	\$ 882,270	\$ 49,991	6.01%
Total 6000 Human Services All Funds	\$ 1,254,986	\$ 1,307,583	\$ 1,460,312	\$ 1,518,165	\$ 57,853	3.96%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 6110 Administration	\$ 217,358	\$ 200,927	\$ 210,882	\$ 219,139	\$ 8,257	3.92%
Total 6130 Supportive Living	\$ 3,250	\$ -	\$ -	\$ -	\$ -	0.00%
Total 6140 Veterans' Services	\$ 188,413	\$ 209,581	\$ 232,773	\$ 224,263	\$ (8,510)	-3.66%
Total 6150 Youth & Family Services	\$ 54,470	\$ 80,549	\$ 87,010	\$ 91,419	\$ 4,408	5.07%
Total 6170 Senior Services and Community Programs	\$ 220,507	\$ 218,306	\$ 320,218	\$ 292,970	\$ (27,248)	-8.51%
Total 6210 Transportation Services	\$ 570,989	\$ 598,220	\$ 609,429	\$ 690,373	\$ 80,945	13.28%
Total 6000 Human Services	\$ 1,254,986	\$ 1,307,583	\$ 1,460,312	\$ 1,518,165	\$ 57,853	3.96%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 542,101	\$ 562,735	\$ 628,033	\$ 635,895	\$ 7,862	1.25%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Personal Services</i>	<i>\$ 542,101</i>	<i>\$ 562,735</i>	<i>\$ 628,033</i>	<i>\$ 635,895</i>	<i>\$ 7,862</i>	<i>1.25%</i>
Contractual Services	\$ 677,312	\$ 711,788	\$ 794,154	\$ 843,995	\$ 49,841	6.28%
Utilities	\$ 2,745	\$ 3,030	\$ 3,924	\$ 3,924	\$ -	0.00%
Supplies	\$ 30,828	\$ 26,336	\$ 31,201	\$ 30,851	\$ (350)	-1.12%
Small Capital	\$ 2,000	\$ 3,695	\$ 3,000	\$ 3,500	\$ 500	16.67%
Expenses	\$ 712,885	\$ 744,848	\$ 832,279	\$ 882,270	\$ 49,991	6.01%
Total 6000 Human Services	\$ 1,254,986	\$ 1,307,583	\$ 1,460,312	\$ 1,518,165	\$ 57,853	3.96%

Appropriations Summary (General Fund Only)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 463,004	\$ 481,215	\$ 533,782	\$ 541,106	\$ 7,323	1.37%
Expenses	\$ 610,862	\$ 641,049	\$ 680,979	\$ 753,807	\$ 72,828	10.69%
Total 6000 Human Services	\$ 1,073,867	\$ 1,122,264	\$ 1,214,761	\$ 1,294,913	\$ 80,151	6.60%

6100-6200 Human Services

Town of Lexington, Massachusetts

Appropriations Summary (Non-General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
EOEA Grant	\$ 63,184	\$ 71,082	\$ 78,980	\$ 78,980	\$ -	-
<i>Personal Services</i>	\$ 48,575	\$ 48,575	\$ 58,575	\$ 58,575	\$ -	-
<i>Expenses</i>	\$ 14,609	\$ 22,507	\$ 20,405	\$ 20,405	\$ -	-
Veterans' Services Regional Funding	\$ 32,235	\$ 33,823	\$ 37,491	\$ 38,029	\$ 538	1.44%
<i>Personal Services</i>	\$ 30,522	\$ 32,944	\$ 35,676	\$ 36,214	\$ 538	1.51%
<i>Expenses</i>	\$ 1,713	\$ 878	\$ 1,815	\$ 1,815	\$ -	-
Senior Services Revolving Fund						
<i>Expenses</i>	\$ 45,701	\$ 28,414	\$ 75,000	\$ 50,000	\$ (25,000)	-33.33%
MBTA Grant - Transportation Services						
<i>Expenses</i>	\$ 40,000	\$ 52,000	\$ 54,080	\$ 56,243	\$ 2,163	4.00%
Total 6000 Human Services (Non-General Fund)	\$ 181,120	\$ 185,319	\$ 245,551	\$ 223,252	\$ (22,299)	-9.08%

Section IX: Office of Land Use, Health and Development

Program 7000



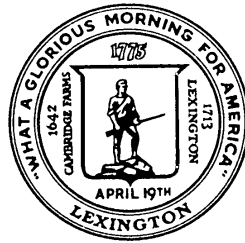
Building and Zoning
Administration
Conservation
Health
Planning
Economic Development

Section IX: Program 7000: Office of Land Use, Health and Development

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for the Office of Land Use, Health and Development. It includes:

- 7110-7300 Summary IX-2
- 7110 Building and Zoning IX-7
- 7120 Administration IX-11
- 7130 Conservation IX-15
- 7140 Health IX-19
- 7200 Planning IX-23
- 7300 Economic Development IX-27

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7100 Program Summary

Town of Lexington, Massachusetts

Mission: The Office of Land Use, Health and Development includes those departments that manage and promote residential and commercial development in Lexington while protecting the health and safety of residents through local bylaws and regulations, as well as State statutes and regulations, in the areas of public health, building code, zoning, wetland protection 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 Office of Land Use, Health and Development is comprised of: Building and Zoning, Conservation, Health, the Planning Department and the Economic Development Office.

The Building and Zoning Department is responsible for enforcing the State building, electrical, gas, and plumbing codes, the local zoning bylaw, and Architectural Access Board Regulations.

The Conservation Office 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.

The Health Department 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.

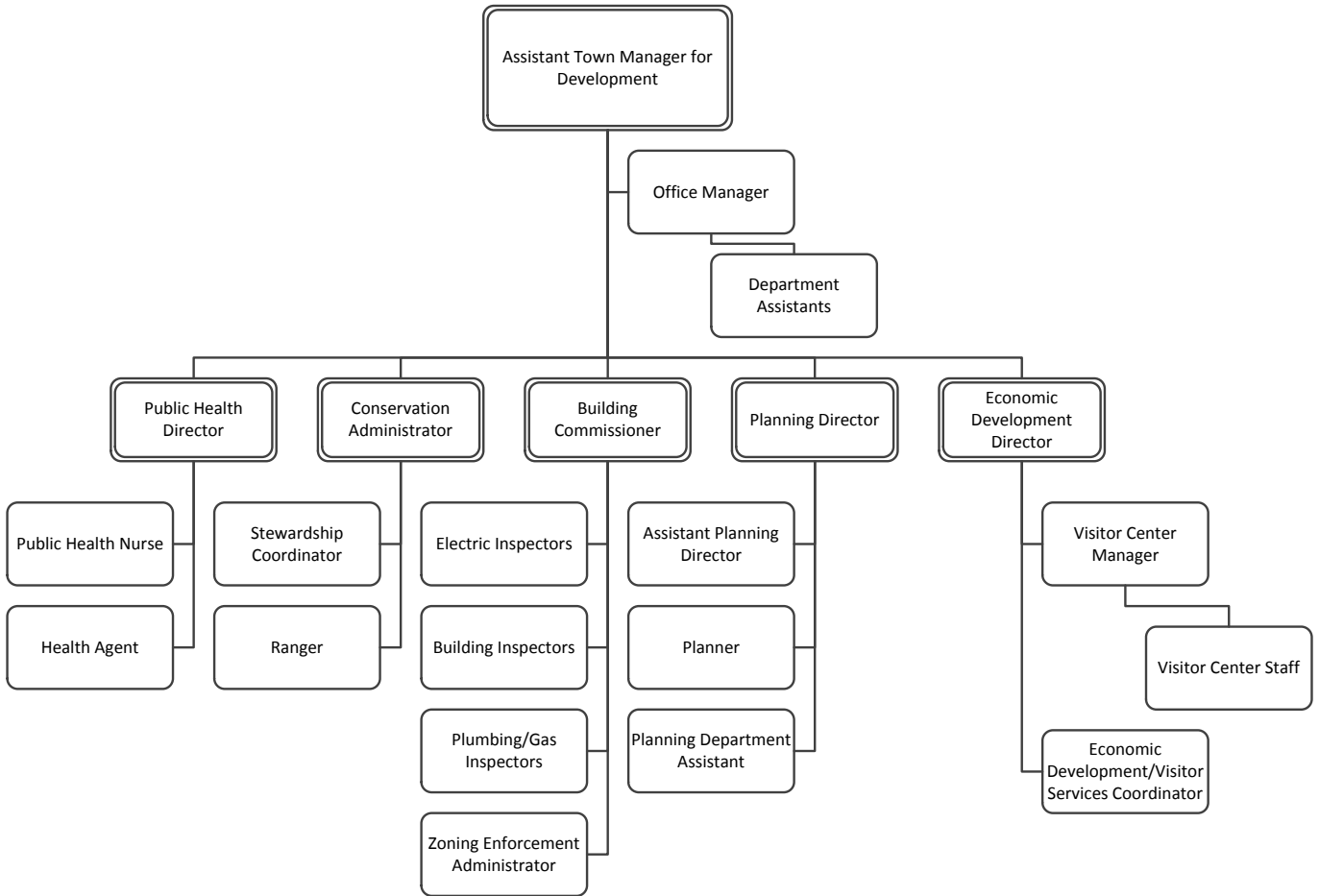
The Planning Department supports the Planning Board in the administration of the Subdivision Regulations, the determination of adequacy of unaccepted streets, the granting of special permits for residential development, site plan review and granting of special permits within the commercial manufacturing 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.

The Economic Development Office 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. In September, 2014, the Economic Development Office took over responsibility for managing the Visitors Center after the Chamber of Commerce ended their long-time agreement with the Town to do so. In addition, at the request of the Board of Selectmen the Economic Development Office will provide additional staff support to the Tourism Committee regarding their operational activities and visitor programs.

7100 Program Summary

Office Initiatives:

1. Effect the transition to the newly created Office of Land Use, Health and Development.



7100 Program Summary

Town of Lexington, Massachusetts

Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Assistant Town Manager		1	1	1
Administration Department Office Manager	1	1	1	1
Administration Department Assistants	4	4	4	4
Economic Development Director	1	1	1	1
Economic Development/Visitor Center Coordinator		1	1	1
Visitor Services Manager ¹		1	1	1
Visitor Center Staff (6PT) ¹		4.75	4.75	4.75
Visitor Center PT Assistant Manager ²			0.56	0.56
Battle Green Guides	1	Seasonal	Seasonal	Seasonal
Liberty Ride Coordinator	0	0.7	0.7	0.7
Liberty Ride Guides	0	Seasonal	Seasonal	Seasonal
Planning Director	1	1	1	1
Assistant Planning Director	1	1	1	1
Planner	1	1	1	1
Planning Dept. Clerk/Admin. Assistant	1	1	1	1
Conservation Administrator	1	1	1	1
Stewardship 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
Health Agent	1	1	1	1
Health Nurse ³	0.6	0.6	0.6	0.6
Building Commissioner	1	1	1	1
Building Inspectors	2	2	2	2
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		0.21	0.21	0.38
Subtotal FTE	22.2	29.9	30.4	30.6
Total FT/PT	20FT/5PT + Seasonal	22FT/11PT + Seasonal	22FT/11PT + Seasonal	22FT/11PT + Seasonal

Explanatory Notes:

¹These Visitor Center positions were previously employees of the Chamber of Commerce via a contract with the Town. The Chamber funded the staff support of the Visitors Center through the gift shop revenues. In September 2014, the Town took over the Visitor Center Operations at the request of the Chamber.

²Position added in FY2017.

³The Full-Time Public Health Nurse is shared between Lexington (.6) and Belmont (.4) per Nursing Services Agreement executed in FY2009.

7100 Program Summary

Budget Recommendations:

The FY2018 recommended All Funds Office of Land Use, Health and Development budget inclusive of the General Fund operating budget, the Liberty Ride, Visitor Center and Health Program Revolving Funds, is \$2,812,004. The recommended budget is a \$57,446 or 2.09% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The FY2018 recommended Land Use, Health and Development General Fund operating budget is \$2,312,212 which is a \$46,059, or 2.03% increase from the restated FY2017 General Fund budget.

The General Fund operating budget for Compensation is \$1,868,974 and reflects a \$39,434 or 2.16% increase, which is attributable to the cost of contractually obligated cost of living and step increases, and funding for additional part-time inspectors at Building and Zoning. FY2018 Compensation does not include any estimate of prospective cost of living increases not covered by current contracts. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The General Fund operating budget for Expenses is \$443,238 and reflects a net increase of \$6,625 or 1.52%, which is primarily due to the funding of a drug take-back program and a bike share pilot program, offset by removing one-time FY2017 costs throughout the budget.

The FY2018 recommended budget for the Health Program, Liberty Ride, and Visitor Center revolving funds is \$499,792, an increase of \$11,387 or 2.33%, driven primarily by increases for compensation and expenses for the Visitor Center.

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	
FY2018 Comprehensive Plan*	\$ 358,900	\$ -	\$ 358,900	\$ 302,000		\$ 302,000	\$ 56,900
Bike Share Program**	\$ 27,000		\$ 27,000	\$ 27,000		\$ 27,000	\$ -
Market Study	\$ 25,000		\$ 25,000	\$ -		\$ -	\$ 25,000
Revolutionary Revelry Event Manager	\$ 15,000		\$ 15,000	\$ -		\$ -	\$ 15,000
Marketing Budget Increase	\$ 5,500		\$ 5,500	\$ -		\$ -	\$ 5,500
Public Health Contracted Services and Supplies	\$ 16,342		\$ 16,342	\$ 16,342		\$ 16,342	\$ -
Regular Part-Time Wages	\$ 9,882	\$ 143	\$ 10,025	\$ 9,882	\$ 143	\$ 10,025	\$ -

* Recommended for funding via a separate warrant article; not included within operating budget.

** Recommendation based on funding from the Center Stabilization Fund.

7100 Program Summary

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 194,269	\$ (501,252)	\$ 665,250	\$ 567,402	\$ (97,848)	-14.71%
TDM Stabilization Fund	\$ -	\$ 45,400	\$ 46,000	\$ 50,000	\$ 4,000	8.70%
Center Impr. District Stabilization Fund	\$ -	\$ -	\$ -	\$ 27,000	\$ 27,000	-
Liberty Ride Revolving Fund	\$ 201,735	\$ 200,317	\$ 284,174	\$ 284,174	\$ -	-
Visitor Center Revolving Fund	\$ 82,595	\$ 188,674	\$ 190,231	\$ 201,618	\$ 11,387	5.99%
Health Department Revolving Fund	\$ 12,447	\$ 13,810	\$ 14,000	\$ 14,000	\$ -	-
Fees & Charges						
Departmental Fees	\$ 90,469	\$ 72,243	\$ 82,891	\$ 79,210	\$ (3,681)	-4.44%
Licenses & Permits	\$ 1,597,712	\$ 2,351,610	\$ 1,472,013	\$ 1,588,600	\$ 116,587	7.92%
Total 7100	\$ 2,179,228	\$ 2,370,803	\$ 2,754,558	\$ 2,812,004	\$ 57,446	2.09%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,600,798	\$ 1,803,772	\$ 2,003,821	\$ 2,047,142	\$ 43,321	2.16%
Expenses	\$ 578,430	\$ 567,031	\$ 750,737	\$ 764,862	\$ 14,125	1.88%
Total 7100	\$ 2,179,228	\$ 2,370,803	\$ 2,754,558	\$ 2,812,004	\$ 57,446	2.09%

Level-Service Requests (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 7110 Building & Zoning	\$ 533,694	\$ 531,678	\$ 587,304	\$ 603,605	\$ 16,301	2.78%
Total 7120 Administration	\$ 249,321	\$ 345,196	\$ 466,277	\$ 446,361	\$ (19,915)	-4.27%
Total 7130 Conservation	\$ 235,258	\$ 231,384	\$ 235,803	\$ 234,972	\$ (831)	-0.35%
Total 7140 Health	\$ 282,438	\$ 297,148	\$ 306,515	\$ 327,546	\$ 21,032	6.86%
Total 7200 Planning	\$ 331,118	\$ 303,849	\$ 359,021	\$ 371,008	\$ 11,988	3.34%
Total 7310 Economic Development	\$ 547,399	\$ 661,547	\$ 799,640	\$ 828,511	\$ 28,871	3.61%
Total 7100	\$ 2,179,228	\$ 2,370,803	\$ 2,754,558	\$ 2,812,004	\$ 57,446	2.09%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,584,011	\$ 1,772,038	\$ 1,978,830	\$ 2,011,676	\$ 32,847	1.66%
Overtime	\$ 16,787	\$ 31,735	\$ 24,991	\$ 35,465	\$ 10,474	41.91%
<i>Personal Services</i>	\$ 1,600,798	\$ 1,803,772	\$ 2,003,821	\$ 2,047,142	\$ 43,321	2.16%
Contractual Services	\$ 455,352	\$ 396,576	\$ 573,987	\$ 582,788	\$ 8,801	1.53%
Utilities	\$ 10,155	\$ 8,579	\$ 13,752	\$ 13,752	\$ -	-
Supplies	\$ 101,105	\$ 160,876	\$ 159,998	\$ 164,322	\$ 4,324	2.70%
Small Capital	\$ 11,819	\$ 1,000	\$ 3,000	\$ 4,000	\$ 1,000	33.33%
<i>Expenses</i>	\$ 578,430	\$ 567,031	\$ 750,737	\$ 764,862	\$ 14,125	1.88%
Total 7100 (All Funds)	\$ 2,179,228	\$ 2,370,803	\$ 2,754,558	\$ 2,812,004	\$ 57,446	2.09%

Appropriation Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,513,599	\$ 1,654,817	\$ 1,829,540	\$ 1,868,974	\$ 39,434	2.16%
Expenses	\$ 368,852	\$ 313,185	\$ 436,613	\$ 443,238	\$ 6,625	1.52%
Total 7100 (General Fund)	\$ 1,882,451	\$ 1,968,002	\$ 2,266,153	\$ 2,312,212	\$ 46,059	2.03%

Appropriation Summary (Non-Gen'l Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
7140 - Health Program Revolving Fund	\$ 12,447	\$ 13,810	\$ 14,000	\$ 14,000	\$ -	-
Expenses	\$ 12,447	\$ 13,810	\$ 14,000	\$ 14,000	\$ -	-
7320 - Liberty Ride	\$ 201,735	\$ 200,317	\$ 284,174	\$ 284,174	\$ -	-
Compensation	\$ 56,515	\$ 59,128	\$ 78,800	\$ 78,800	\$ -	-
Expenses	\$ 145,220	\$ 141,189	\$ 205,374	\$ 205,374	\$ -	-
7340 - Visitor Center	\$ 82,595	\$ 188,674	\$ 190,231	\$ 201,618	\$ 11,387	5.99%
Compensation	\$ 30,684	\$ 89,827	\$ 95,481	\$ 99,368	\$ 3,887	4.07%
Expenses	\$ 51,911	\$ 98,847	\$ 94,750	\$ 102,250	\$ 7,500	7.92%
Total 7100 (Non-General Fund)	\$ 296,777	\$ 402,801	\$ 488,405	\$ 499,792	\$ 11,387	2.33%

7110 Building and Zoning

Town of Lexington, Massachusetts

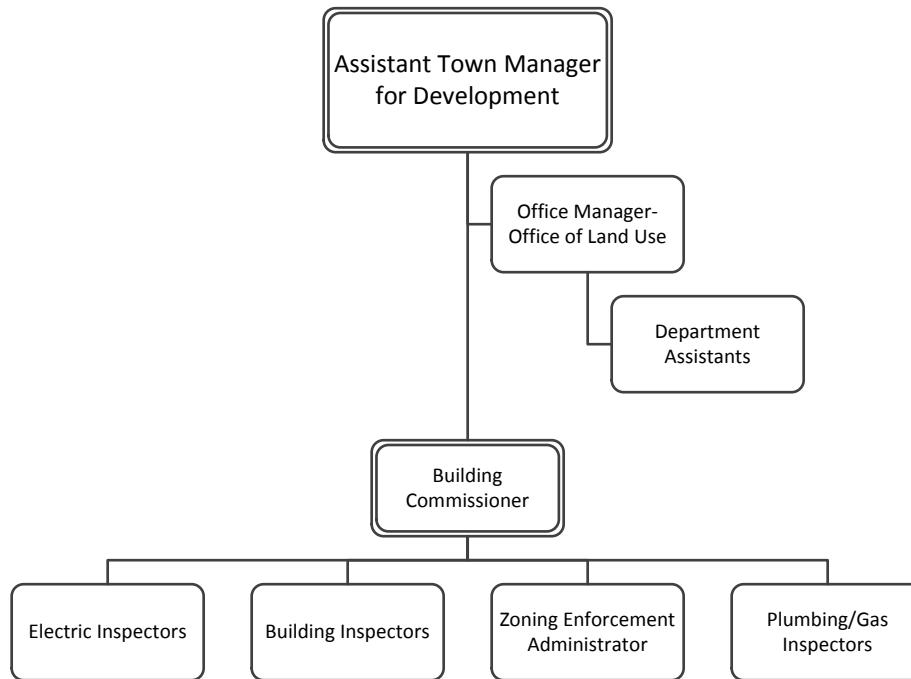
Mission: The Building and Zoning Department is a regulatory function with the goal of protecting the health and safety of residents. This role is fulfilled through the enforcement of building, zoning and land use regulations.

Budget Overview: The Building and Zoning Department enforces state building, electrical, plumbing, gas and mechanical codes, Architectural Access Board Regulations and local zoning by-laws. Staff, comprised of the 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.

Departmental Initiatives:

1. Continue transition from the Eight Edition of the Massachusetts State Building Code to the Ninth Edition, including training for local contractors to highlight changes in the new code.
2. Continue to streamline the on-line permitting process. By shortening the turnaround time for processing permits, customer satisfaction is increased.
3. Implement View Permit for zoning requests to aid in tracking zoning approvals. This will allow for better enforcement and historical record keeping of zoning decisions.

7110 Building and Zoning



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Building Commissioner	1	1	1	1
Building Inspectors	2	2	2	2
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*	-	0.21	0.21	0.21
Total FTE	6.38	6.59	6.59	6.59

Total FT/PT	6FT/2PT	6FT/3PT	6FT/3PT	6FT/3PT
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*The hours budgeted for part-time inspectors are filled by multiple individuals, as available.

7110 Building and Zoning

Budget Recommendations:

The FY2018 recommended Building and Zoning budget is \$603,605 a \$16,301 or 2.78% increase over the restated FY2017 budget. The FY2016 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The recommended budget for Compensation is \$535,465 and reflects a \$16,701, or 3.22% increase, which is due to two factors – funding additional hours for part-time inspectors and the cost of contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any estimate of prospective cost of living increases for contracts expiring on June 30, 2017. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended budget for Expenses is \$68,140 and reflects a net decrease of \$400 or 0.58% from FY2017, due to removing the one-time cost for purchase of the Ninth Edition of the Massachusetts State Building Code books to the Ninth Edition, offset by an increase for additional staff development.

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	
Regular Part-Time Wages	\$ 9,882	\$ 143	\$ 10,025	\$ 9,882	\$ 143	\$ 10,025	\$ -

7110 Building and Zoning

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$(1,049,808)	\$(1,781,780)	\$ (869,059)	\$ (961,995)	\$ (92,936)	10.69%
Directed Funding						
Departmental Fees	\$ 15,155	\$ 8,660	\$ 14,350	\$ 12,000	\$ (2,350)	-16.38%
Licenses and Permits	\$ 1,568,347	\$ 2,304,798	\$ 1,442,013	\$ 1,553,600	\$ 111,587	7.74%
Total 7110 Building and Zoning	\$ 533,694	\$ 531,678	\$ 587,304	\$ 603,605	\$ 16,301	2.78%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 474,736	\$ 491,557	\$ 518,764	\$ 535,465	\$ 16,701	3.22%
Expenses	\$ 58,959	\$ 40,121	\$ 68,540	\$ 68,140	\$ (400)	-0.58%
Total 7110 Building and Zoning	\$ 533,694	\$ 531,678	\$ 587,304	\$ 603,605	\$ 16,301	2.78%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 7110 Building and Zoning	\$ 533,694	\$ 531,678	\$ 587,304	\$ 603,605	\$ 16,301	2.78%
Total 7110 Building and Zoning	\$ 533,694	\$ 531,678	\$ 587,304	\$ 603,605	\$ 16,301	2.78%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 471,059	\$ 488,146	\$ 513,203	\$ 529,904	\$ 16,701	3.25%
Overtime	\$ 3,677	\$ 3,411	\$ 5,561	\$ 5,561	\$ 0	0.00%
<i>Personal Services</i>	<i>\$ 474,736</i>	<i>\$ 491,557</i>	<i>\$ 518,764</i>	<i>\$ 535,465</i>	<i>\$ 16,701</i>	<i>3.22%</i>
Contractual Services	\$ 49,962	\$ 32,009	\$ 54,060	\$ 56,560	\$ 2,500	4.62%
Utilities	\$ 6,372	\$ 4,929	\$ 7,480	\$ 7,480	\$ -	0.00%
Supplies	\$ 2,624	\$ 3,183	\$ 7,000	\$ 4,100	\$ (2,900)	-41.43%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 58,959	\$ 40,121	\$ 68,540	\$ 68,140	\$ (400)	-0.58%
Total 7110 Building and Zoning	\$ 533,694	\$ 531,678	\$ 587,304	\$ 603,605	\$ 16,301	2.78%

7120 Administration

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 and four Department Clerks, 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 position oversees all operations of the departments included in the Office of Land Use, Health and Development.

Departmental Initiatives:

1. Transition/delegation of certain land and development-related tasks from the Town Manager to the Assistant Town Manager for Development.
2. Improve public information on permitting requirements and procedures for prospective business owners and commercial tenants.
3. Increase efficiency in providing administrative support to boards and committees.
4. Continue the transition of the departments into the new Office of Land Use, Health and Development.

7120 Administration



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Assistant Town Manager		1	1	1
Department Assistants	4	4	4	4
Office Manager	1	1	1	1
Total FTE	5	6	6	6
Total FT/PT	5 FT	6 FT	6 FT	6 FT

7120 Administration

Budget Recommendations:

The recommended FY2018 General Fund budget for the Office of Administration is \$446,361, a decrease of \$19,915 or 4.27% from the FY2017 budget.

The General Fund operating budget for Compensation is \$387,655 and reflects a net decrease of \$6,015 or 1.53%, which is primarily attributable to staff turnover and hiring their replacements at a lower salary. FY2018 Compensation does not include any estimate of prospective cost of living increases not covered by current contracts. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The General Fund operating budget for Expenses is \$58,706 and reflects a net decrease of \$13,900 or 19.14%, which is primarily due to removing one-time costs for completed land studies.

Program Improvement Requests:

None requested.

7120 Administration

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 232,883	\$ 333,996	\$ 449,137	\$ 432,661	\$ (16,475)	-3.67%
Directed Funding						
Departmental Fees	\$ 16,438	\$ 11,200	\$ 17,140	\$ 13,700	\$ (3,440)	-20.07%
Total 7120 Administration	\$ 249,321	\$ 345,196	\$ 466,277	\$ 446,361	\$ (19,915)	-4.27%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 224,550	\$ 329,869	\$ 393,671	\$ 387,655	\$ (6,015)	-1.53%
Expenses	\$ 24,770	\$ 15,328	\$ 72,606	\$ 58,706	\$ (13,900)	-19.14%
Total 7120 Administration	\$ 249,321	\$ 345,196	\$ 466,277	\$ 446,361	\$ (19,915)	-4.27%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
7120 Administration	\$ 249,321	\$ 345,196	\$ 466,277	\$ 446,361	\$ (19,915)	-4.27%
Total 7120 Administration	\$ 249,321	\$ 345,196	\$ 466,277	\$ 446,361	\$ (19,915)	-4.27%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 218,585	\$ 321,163	\$ 384,224	\$ 376,404	\$ (7,819)	-2.04%
Overtime	\$ 5,966	\$ 8,706	\$ 9,447	\$ 11,251	\$ 1,804	19.10%
<i>Personal Services</i>	<i>\$ 224,550</i>	<i>\$ 329,869</i>	<i>\$ 393,671</i>	<i>\$ 387,655</i>	<i>\$ (6,015)</i>	<i>-1.53%</i>
Contractual Services	\$ 7,708	\$ 7,862	\$ 60,506	\$ 46,606	\$ (13,900)	-22.97%
Utilities	\$ -	\$ 495	\$ 600	\$ 600	\$ -	0.00%
Supplies	\$ 6,562	\$ 6,970	\$ 11,500	\$ 11,500	\$ -	0.00%
Small Capital	\$ 10,500	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 24,770	\$ 15,328	\$ 72,606	\$ 58,706	\$ (13,900)	-19.14%
Total 7120 Administration	\$ 249,321	\$ 345,196	\$ 466,277	\$ 446,361	\$ (19,915)	-4.27%

7130 Conservation

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

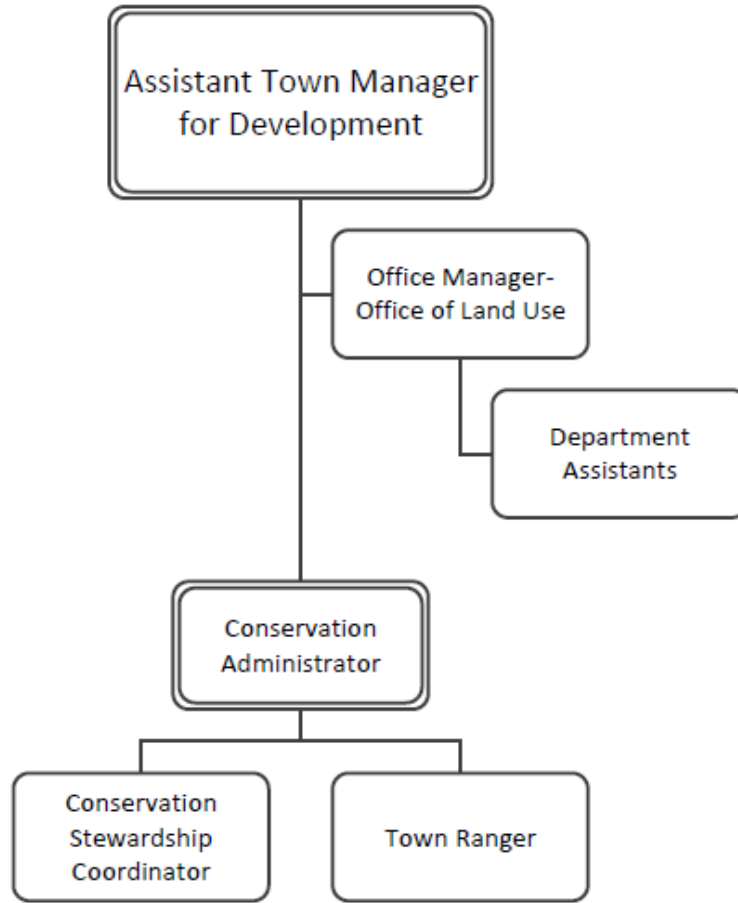
Budget Overview: The Conservation Office responsibilities include administering, interpreting and enforcing all applicable State laws and Local codes; counseling, guiding and educating the public on environmental issues; researching and reporting on relevant issues for the Commission meetings to aid the Commission in key decision making; enforcing permit conditions through construction inspections; and managing conservation areas and the Land and Watershed Stewardship Program. The Conservation Administrator 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.

The Conservation Division 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.

Departmental Initiatives:

1. Continue to implement the Laserfiche Document Imaging Software for conservation records, including converting historical records to digital format and migrating into software.
2. Implement the conservation module of the ViewPermit Software to provide a comprehensive electronic permit management and tracking system.
3. Implement the numerous conservation land management projects, including meadows preservation, Cotton Farm Conservation Area Improvements, Community Gardens Expansion, Parker Meadow ADA Trail Design, Engineering and Construction, and Wright Farm Barn and Educational Programming Needs Assessment.

7130 Conservation



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Conservation Administrator	1	1	1	1
Stewardship Coordinator	1	1	1	1
Land Use Ranger	0.25	0.25	0.25	0.25
Seasonal Land Management Interns	Seasonal	Seasonal	Seasonal	Seasonal
Total FTE	2.25	2.25	2.25	2.25

Total FT/PT	2FT/1PT + Seasonal	2FT/1PT + Seasonal	2FT/1PT + Seasonal	2FT/1PT + Seasonal
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7130 Conservation

Budget Recommendations:

The recommended FY2018 General Fund Conservation budget is \$234,972, a net decrease of \$831 or 0.35% from the FY2017 budget.

The General Fund operating budget for Compensation is \$202,715 and reflects an increase of \$869 or 0.43% which is attributable to the cost of prospective step increases. FY2018 Compensation does not include any estimate of prospective cost of living increases not covered by current contracts. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The General Fund operating budget for Expenses is \$32,257 and reflects a reduction of \$1,700 or 5.01% due to the elimination of one-time expenses for the purchase of conservation tractor implements.

Program Improvement Requests:

None Requested.

7130 Conservation

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 198,931	\$ 199,011	\$ 207,103	\$ 203,972	\$ (3,131)	-1.51%
Directed Funding						
Fees	\$ 36,326	\$ 32,373	\$ 28,700	\$ 31,000	\$ 2,300	8.01%
Total 7130 Conservation	\$ 235,258	\$ 231,384	\$ 235,803	\$ 234,972	\$ (831)	-0.35%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 186,253	\$ 193,394	\$ 201,846	\$ 202,715	\$ 869	0.43%
Expenses	\$ 49,005	\$ 37,990	\$ 33,957	\$ 32,257	\$ (1,700)	-5.01%
Total 7130 Conservation	\$ 235,258	\$ 231,384	\$ 235,803	\$ 234,972	\$ (831)	-0.35%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 7130 Conservation	\$ 235,258	\$ 231,384	\$ 235,803	\$ 234,972	\$ (831)	-0.35%
Total 7130 Conservation	\$ 235,258	\$ 231,384	\$ 235,803	\$ 234,972	\$ (831)	-0.35%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 183,937	\$ 191,040	\$ 199,739	\$ 200,014	\$ 275	0.14%
Overtime	\$ 2,316	\$ 2,354	\$ 2,106	\$ 2,701	\$ 594	28.22%
<i>Personal Services</i>	\$ 186,253	\$ 193,394	\$ 201,846	\$ 202,715	\$ 869	0.43%
Contractual Services	\$ 41,456	\$ 27,107	\$ 24,286	\$ 24,286	\$ -	0.00%
Utilities	\$ 2,143	\$ 1,939	\$ 2,371	\$ 2,371	\$ -	0.00%
Supplies	\$ 5,406	\$ 8,944	\$ 7,300	\$ 5,600	\$ (1,700)	-23.29%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Expenses</i>	\$ 49,005	\$ 37,990	\$ 33,957	\$ 32,257	\$ (1,700)	-5.01%
Total 7130 Conservation	\$ 235,258	\$ 231,384	\$ 235,803	\$ 234,972	\$ (831)	-0.35%

7140 Health

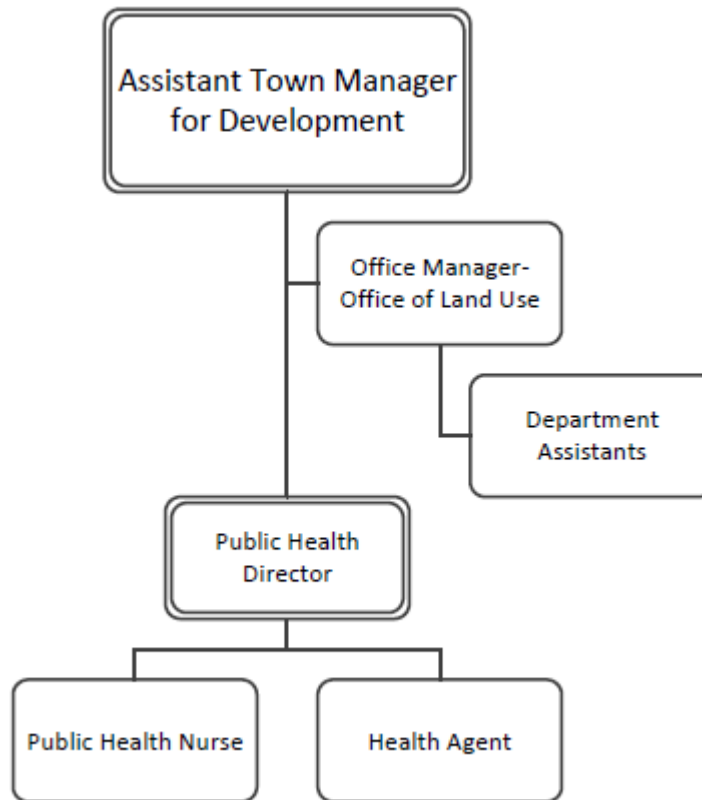
Mission: Under the direction of the Lexington Board of Health, the mission of the Lexington Health Department is to prevent disease and promote wellness in order to protect and improve the health and quality of life of its residents, visitors and workforce.

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 empowerment programs, environmental health code enforcement activities, mosquito control, vaccination clinics and public health emergency planning and recovery efforts in partnership with the Massachusetts Department of Public Health, (MDPH). The Health Department staff is comprised of the Health Director, Health Agent and a part-time Public Health Nurse.

Departmental Initiatives:

1. Continue Public Health emergency planning and recovery efforts due to a communicable disease threat (Pandemic Influenza Response).
2. Continue Food Establishment Emergency Operations planning efforts to prevent disease transmission due to loss of utilities or water & sewer service infrastructure.
3. Continue partnering with Human Services, Police, Fire and Facilities to plan a unified response to occupied properties found to be in an unsanitary condition or unfit for human habitation. Abandoned properties may also be discussed as necessary.
4. Provide food safety and public health disease prevention educational outreach to targeted demographics based on needs identified in the Demographic Task Force's Report.
5. Implement View Permit software to improve the customer's experience in obtaining various Board of Health permits. Permits include but are not limited to retail food service, temporary food service events, swimming pool operation, retail tobacco sales, rDNA Biosafety, Animal Keeping and Summer Camps.

7140 Health



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Public Health Director	1	1	1	1
Health Agent	1	1	1	1
Health Nurse *	0.6	0.6	0.6	0.6
Total FTE	2.6	2.6	2.6	2.6

Total FT/PT	2FT/1PT	2FT/1PT	2FT/1PT	2FT/1PT
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* The full-time Public Health Nurse is shared between Lexington (.6) and Belmont (.4) per Nursing Services Agreement executed in FY2009.

7140 Health

Budget Recommendations:

The recommended FY2018 All Funds Health budget inclusive of the General Fund operating budget and the Health Program Revolving Fund, which funds health clinics, is \$327,546. The recommended budget is a \$21,032 or 6.86% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The FY2017 recommended Health General Fund operating budget is \$313,546, which is a \$21,032 or 7.19% increase over the restated FY2017 General Fund budget.

The General Fund operating budget for Compensation is \$235,211 and reflects a \$4,159 or 1.80% increase, which is attributable to the cost of contractually obligated step increases and salary increases. FY2018 Compensation does not include any estimate of prospective cost of living increases not covered by current contracts. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The General Fund operating budget for Expenses is \$78,335 and reflects a \$16,873 or 27.45% increase which is primarily driven by the funding of a program improvement request to enhance the drug take back program.

The FY2018 recommended Health Programs Revolving Fund is recommended at \$14,000 which is unchanged from the FY2017 authorization.

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	
Public Health Contracted Services and Supplies	\$ 16,342		\$ 16,342	\$ 16,342		\$ 16,342	\$ -

7140 Health

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 240,626	\$ 236,526	\$ 262,515	\$ 278,546	\$ 16,032	6.11%
Permits	\$ 29,365	\$ 46,812	\$ 30,000	\$ 35,000	\$ 5,000	16.67%
Health Department Revolving Fund	\$ 12,447	\$ 13,810	\$ 14,000	\$ 14,000	\$ -	-
Total 7140 Health	\$ 282,438	\$ 297,148	\$ 306,515	\$ 327,546	\$ 21,032	6.86%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 211,931	\$ 222,239	\$ 231,053	\$ 235,211	\$ 4,159	1.80%
Expenses	\$ 70,507	\$ 74,909	\$ 75,462	\$ 92,335	\$ 16,873	22.36%
Total 7140 Health	\$ 282,438	\$ 297,148	\$ 306,515	\$ 327,546	\$ 21,032	6.86%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 7140 Health	\$ 282,438	\$ 297,148	\$ 306,515	\$ 327,546	\$ 21,032	6.86%
Total 7140 Health	\$ 282,438	\$ 297,148	\$ 306,515	\$ 327,546	\$ 21,032	6.86%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 211,605	\$ 222,239	\$ 228,826	\$ 233,659	\$ 4,833	2.11%
Overtime	\$ 326	\$ -	\$ 2,227	\$ 1,552	\$ (675)	-30.29%
<i>Personal Services</i>	<i>\$ 211,931</i>	<i>\$ 222,239</i>	<i>\$ 231,053</i>	<i>\$ 235,211</i>	<i>\$ 4,159</i>	<i>1.80%</i>
Contractual Services	\$ 56,004	\$ 59,687	\$ 61,401	\$ 76,062	\$ 14,661	23.88%
Utilities	\$ 1,640	\$ 1,217	\$ 1,801	\$ 1,801	\$ -	-
Supplies	\$ 12,863	\$ 14,005	\$ 12,260	\$ 14,472	\$ 2,212	18.04%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
Expenses	\$ 70,507	\$ 74,909	\$ 75,462	\$ 92,335	\$ 16,873	22.36%
Total 7140 Health (All Funds)	\$ 282,438	\$ 297,148	\$ 306,515	\$ 327,546	\$ 21,032	6.86%

Appropriations Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 211,931	\$ 222,239	\$ 231,053	\$ 235,211	\$ 4,159	1.80%
Expenses	\$ 58,060	\$ 61,099	\$ 61,462	\$ 78,335	\$ 16,873	27.45%
Total 7140 Health (General Fund)	\$ 269,991	\$ 283,338	\$ 292,515	\$ 313,546	\$ 21,032	7.19%

Appropriations Summary (Non-Gen'l Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
7140 - Health Programs Revolving Fund						
Expenses	\$ 12,447	\$ 13,810	\$ 14,000	\$ 14,000	\$ -	-
Total 7140 Health (Non-General Fund)	\$ 12,447	\$ 13,810	\$ 14,000	\$ 14,000	\$ -	-

7200 Planning

Mission: The Planning Office helps residents envision and work toward a community that serves the need 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 participates 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 and the HOME Consortium.

Departmental Initiatives:

1. Continue to develop and draft zoning bylaw changes identified as highly desirable.
2. Continue to develop and enhance the Town's various transportation initiatives.
3. Research demographic and socio-economic trends affecting land use and development in Lexington.
4. Update the Office's administrative and internal forms and checklists associated with development permitting (especially permit tracking and online access).

7200 Planning



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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

7200 Planning

Budget Recommendations:

The FY2018 recommended General Fund Planning Department budget is \$371,008, which is an \$11,988 or 3.34% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The General Fund operating budget for Compensation is \$323,308 and reflects a \$10,988 or 3.52% increase, which is attributable to the cost of contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any estimate of prospective cost of living increases not covered by current contracts. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The recommended budget for Expenses is \$47,700 and reflects a \$1,000 or 1.0% increase, attributable to anticipated spending on advertising and printing associated with Town Meeting materials.

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	
FY2018 Comprehensive Plan*	\$ 358,900	\$ -	\$ 358,900	\$ 302,000		\$ 302,000	\$ 56,900

*Recommended for funding via a separate warrant article; not included within operating budget.

7200 Planning

Town of Lexington, Massachusetts

Budget Summary:

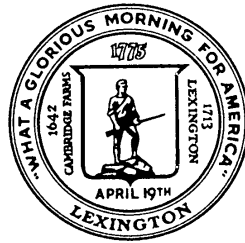
Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 308,568	\$ 283,839	\$ 336,320	\$ 348,498	\$ 12,178	3.62%
Fees	\$ 22,550	\$ 20,010	\$ 22,701	\$ 22,510	\$ (191)	-0.84%
Total 7200 Planning	\$ 331,118	\$ 303,849	\$ 359,021	\$ 371,008	\$ 11,988	3.34%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 302,467	\$ 267,317	\$ 312,321	\$ 323,308	\$ 10,988	3.52%
Expenses	\$ 28,651	\$ 36,533	\$ 46,700	\$ 47,700	\$ 1,000	2.14%
Total 7200 Planning	\$ 331,118	\$ 303,849	\$ 359,021	\$ 371,008	\$ 11,988	3.34%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 7200 Planning	\$ 331,118	\$ 303,849	\$ 359,021	\$ 371,008	\$ 11,988	3.34%
Total 7200 Planning	\$ 331,118	\$ 303,849	\$ 359,021	\$ 371,008	\$ 11,988	3.34%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 300,042	\$ 265,160	\$ 308,071	\$ 316,471	\$ 8,400	2.73%
Overtime	\$ 2,425	\$ 2,157	\$ 4,250	\$ 6,837	\$ 2,587	60.88%
<i>Personal Services</i>	<i>\$ 302,467</i>	<i>\$ 267,317</i>	<i>\$ 312,321</i>	<i>\$ 323,308</i>	<i>\$ 10,988</i>	<i>3.52%</i>
Contractual Services	\$ 26,605	\$ 33,012	\$ 42,400	\$ 43,200	\$ 800	1.89%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ 2,046	\$ 3,521	\$ 4,300	\$ 4,500	\$ 200	4.65%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Expenses</i>	<i>\$ 28,651</i>	<i>\$ 36,533</i>	<i>\$ 46,700</i>	<i>\$ 47,700</i>	<i>\$ 1,000</i>	<i>2.14%</i>
Total 7200 Planning	\$ 331,118	\$ 303,849	\$ 359,021	\$ 371,008	\$ 11,988	3.34%

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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 sector 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 tools and resources designed to improve the business environment. The Economic Development Office also cultivates and maintains relationships with State-level partners for business development and infrastructure investment opportunities.

In addition, the Economic Development Office works to leverage economic opportunities from tourism. The three programs – the Liberty Ride, the Battle Green Guides and the regional marketing program – are aimed at enhancing Lexington's visitor-based economy.

Budget Overview: the Economic Development budget is divided into three elements: the Economic Development Office, the Liberty Ride and the Visitor Center.

The Economic Development Office is tasked with strengthening the commercial tax base, providing services to existing and prospective businesses, and overseeing tourism functions, including the Battle Green Guides. The Office is supported by the Economic Development Advisory Committee and the Economic Development Director serves as liaison to the Lexington Center Committee and the Tourism Committee.

The Liberty Ride trolley tour of Lexington and Concord serves as the only public transportation link to the area's historic sites. Ridership continues to increase, and in 2017 the Liberty Ride will celebrate its 15th season. As a revolving fund, the Liberty Ride is funded through ticket sales.

The Visitors Center serves as gateway for over 115,000 people who come to visit Lexington every year. The Visitors Center operates with sales revenue generated from the gift shop.

7300 Economic Development

Town of Lexington, Massachusetts

Departmental Initiatives:

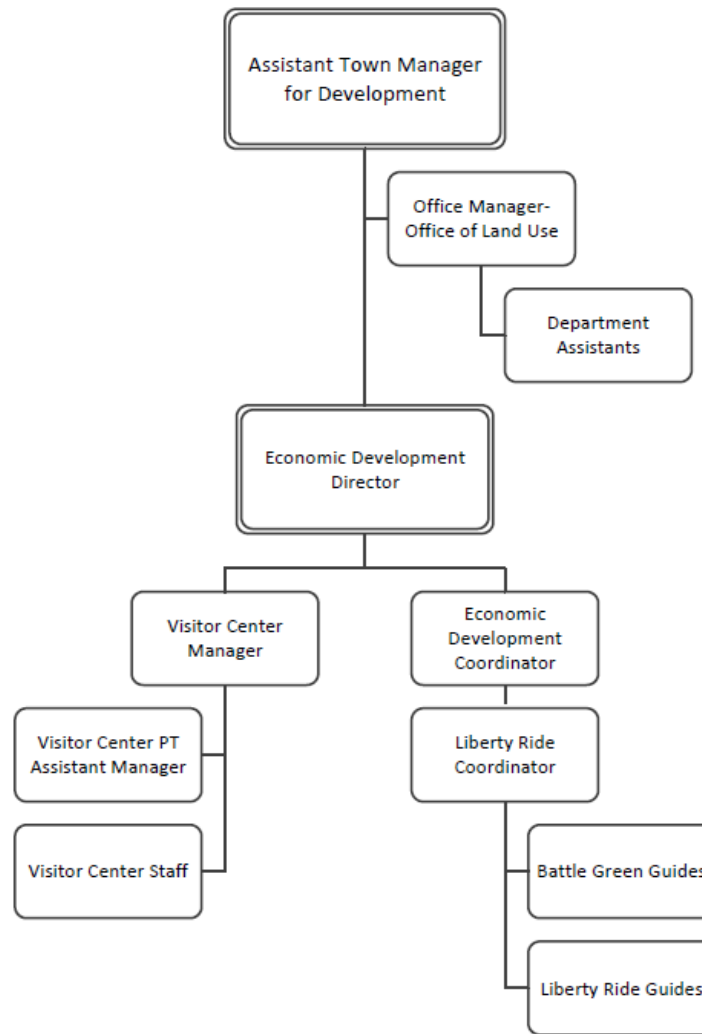
Economic Development Office

1. Continue to implement parking rate recommendations from the Lexington Center Parking Management Plan
2. Secure funding for year five of the REV shuttle bus
3. Collaborate with the Planning Department on zoning updates that would enhance commercial growth opportunities
4. Engage stakeholders in Hartwell and East Lexington to develop a vision and identify long-term development opportunities
5. Secure twenty-five parking spaces that are not currently part of the public parking inventory

Tourism/Visitor Activities

1. Develop standards to track and gauge the impact of tourism investments
2. Collaborate with Lexington Retailers Association in marketing events
3. Develop an online ticketing system for the Liberty Ride

7300 Economic Development



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Economic Development Director	1	1	1	1
Economic Development Coordinator		1	1	1
Visitor Center Manager		1	1	1
Visitor Center Staff (6PT)		4.75	4.75	4.75
Visitor Center Assistant Manager ¹			0.56	0.56
Battle Green Guides	Seasonal	Seasonal	Seasonal	Seasonal
Liberty Ride Coordinator	0	0.7	0.7	0.7
Liberty Ride Guides	Seasonal	Seasonal	Seasonal	Seasonal
Total FTE	1.7	8.45	9.01	9.01

Total FT/PT	1FT/1PT + Seasonal	3FT/7PT + Seasonal	3FT/8PT + Seasonal	3FT/8PT + Seasonal
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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.

¹New position began in FY2017.

7300 Economic Development

Budget Recommendations:

The FY2018 recommended All Funds Economic Development budget inclusive of the General Fund operating budget and the Liberty Ride and Visitor Center Revolving Funds is \$828,511, which is a \$28,871 or 3.61% increase from the restated FY2017 budget. The FY2017 budget is restated to reflect a supplemental appropriation approved at the 2016 Special Town Meeting, and cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The FY2018 recommended General Fund Economic Development operating budget is \$342,719, which is a \$17,484 or 5.38% increase from the restated FY2017 General Fund budget. The recommended General Fund operating budget for Compensation is \$184,619, and reflects a \$12,732 or 7.41% increase, which is attributable to overtime for staff to attend evening meetings, as well as the cost of contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any estimate of prospective cost of living increases not covered by current contracts. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended General Fund operating budget for Expenses is \$158,100, a \$4,752 or 3.10% increase which is the net increase from backing out the FY2017 supplemental funds, and funding a program improvement request for a bike share program. Contractual costs include expenses associated with the REV Bus, a business-serving shuttle that runs between the Hartwell Avenue corridor and the Alewife Red Line Station, to be funded with an appropriation from the Transportation Demand Management (TDM) Stabilization Fund. In addition, the Town provides a limited amount of General Fund support in the amount of \$18,000 to the Visitor Center while they transition to a self-supporting operation.

The recommended FY2018 Liberty Ride Revolving Fund request is \$284,174 which is level-funded from FY2017.

The recommended FY2018 Visitor Center Revolving Fund request is \$201,618 which is an \$11,387 or 5.99% increase over FY2017. This is attributed to a more accurate projection for overtime costs, as well as a projected increase in inventory purchases in FY2018.

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 Share Program**	\$ 27,000		\$ 27,000	\$ 27,000		\$ 27,000	\$ -
Market Study	\$ 25,000		\$ 25,000	\$ -		\$ -	\$ 25,000
Revolutionary Revelry Event Manager	\$ 15,000		\$ 15,000	\$ -		\$ -	\$ 15,000
Marketing Budget Increase	\$ 5,500		\$ 5,500	\$ -		\$ -	\$ 5,500

** Recommendation based on funding from the Center Stabilization Fund.

7300 Economic Development

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 263,069	\$ 227,156	\$ 279,235	\$ 265,719	\$ (13,516)	-4.84%
TDM Stabilization Fund	\$ -	\$ 45,400	\$ 46,000	\$ 50,000	\$ 4,000	8.70%
Center Impr. District Stabilization Fund	\$ -	\$ -	\$ -	\$ 27,000	\$ 27,000	-
Liberty Ride Revolving Fund	\$ 201,735	\$ 200,317	\$ 284,174	\$ 284,174	\$ -	-
Visitor Center Revolving Fund	\$ 82,595	\$ 188,674	\$ 190,231	\$ 201,618	\$ 11,387	5.99%
Total 7300 Economic Development	\$ 547,399	\$ 661,547	\$ 799,640	\$ 828,511	\$ 28,871	3.61%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 200,861	\$ 299,397	\$ 346,168	\$ 362,787	\$ 16,619	4.80%
Expenses	\$ 346,538	\$ 362,151	\$ 453,472	\$ 465,724	\$ 12,252	2.70%
Total 7300 Economic Development	\$ 547,399	\$ 661,547	\$ 799,640	\$ 828,511	\$ 28,871	3.61%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 7310 Economic Development Office	\$ 226,927	\$ 232,663	\$ 285,435	\$ 342,719	\$ 57,284	20.07%
Total 7320 Liberty Ride	\$ 201,735	\$ 200,317	\$ 284,174	\$ 284,174	\$ -	-
Total 7330 Tourism	\$ 36,141	\$ 39,893	\$ 39,800	\$ -	\$ (39,800)	-100.00%
Total 7340 Visitor Center	\$ 82,595	\$ 188,674	\$ 190,231	\$ 201,618	\$ 11,387	5.99%
Total 7300 Economic Development	\$ 547,399	\$ 661,547	\$ 799,640	\$ 828,511	\$ 28,871	3.61%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 198,783	\$ 284,289	\$ 344,768	\$ 355,224	\$ 10,457	3.03%
Overtime	\$ 2,078	\$ 15,107	\$ 1,400	\$ 7,563	\$ 6,163	440.21%
Personal Services	\$ 200,861	\$ 299,397	\$ 346,168	\$ 362,787	\$ 16,619	4.80%
Contractual Services	\$ 273,616	\$ 236,898	\$ 331,334	\$ 336,074	\$ 4,740	1.43%
Utilities	\$ -	\$ -	\$ 1,500	\$ 1,500	\$ -	-
Supplies	\$ 71,603	\$ 124,252	\$ 117,638	\$ 124,150	\$ 6,512	5.54%
Small Capital	\$ 1,319	\$ 1,000	\$ 3,000	\$ 4,000	\$ 1,000	33.33%
Expenses	\$ 346,538	\$ 362,151	\$ 453,472	\$ 465,724	\$ 12,252	2.70%
Total 7300 Economic Development	\$ 547,399	\$ 661,547	\$ 799,640	\$ 828,511	\$ 28,871	3.61%

Appropriations Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 113,662	\$ 150,441	\$ 171,887	\$ 184,619	\$ 12,732	7.41%
Expenses	\$ 149,407	\$ 122,115	\$ 153,348	\$ 158,100	\$ 4,752	3.10%
Total 7300 Economic Development	\$ 263,069	\$ 272,556	\$ 325,235	\$ 342,719	\$ 17,484	5.38%

Appropriations Summary (Non-Gen'l Fund)	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
7320 Liberty Ride	\$ 201,735	\$ 200,317	\$ 284,174	\$ 284,174	\$ -	-
Compensation	\$ 56,515	\$ 59,128	\$ 78,800	\$ 78,800	\$ -	-
Expenses	\$ 145,220	\$ 141,189	\$ 205,374	\$ 205,374	\$ -	-
7340 Visitor Center	\$ 82,595	\$ 188,674	\$ 190,231	\$ 201,618	\$ 11,387	5.99%
Compensation	\$ 30,684	\$ 89,827	\$ 95,481	\$ 99,368	\$ 3,887	4.07%
Expenses	\$ 51,911	\$ 98,847	\$ 94,750	\$ 102,250	\$ 7,500	7.92%
Total 7300 Economic Development	\$ 284,330	\$ 388,991	\$ 474,405	\$ 485,792	\$ 11,387	2.40%

Section X: General Government

Program 8000



Board of Selectmen
Town Manager
Town Committees
Finance
Information Services

Section X: Program 8000: General Government

This section includes detailed information about the FY2018 Operating Budget & Financing Plan for general government. It includes:

- 8100 Board of Selectmen X-2
- 8200 Town Manager X-6
- 8300 Town Committees X-10
- 8400 Finance X-12
- 8500 Town Clerk X-17
- 8600 Information Services X-21

8100 Board of Selectmen

Mission: The Board of Selectmen, together with the Town Manager, represents the executive branch of the Town government. The Board consists of five members, elected for three-year terms. Selectmen 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 Selectmen's Office, Town Counsel and the Annual Town Report.

Day-to-day operation of the Selectmen's Office is under the direction of the Office Manager and the Municipal Assistant who assist the Selectmen and coordinate activities with the Town Manager's Office. The staff prepare the Annual and Special Town Meeting Warrants and assist the Selectmen in responding to questions and inquiries from the public. They also receive all contributions to Selectmen gift accounts, the Fund for Lexington, PTA Council Scholarship, 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 over 300 Selectmen appointments to more than 40 committees. In addition, the Selectmen's Office notifies Lexington residents of all national, state and local elections.

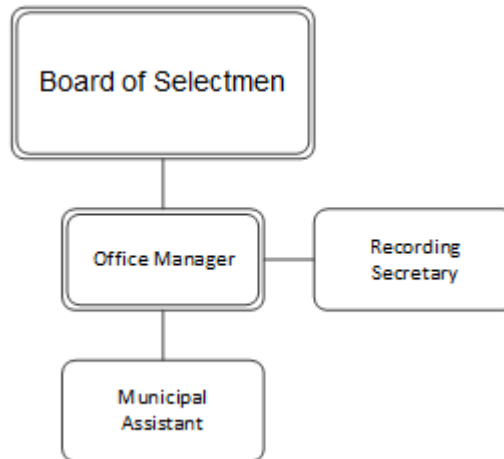
Town Counsel represents the Town, through the Board of Selectmen and Town Manager, on all legal matters including litigation, contracts, drafting of Town bylaws and enforcement of bylaws through the Court system.

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

Departmental Initiatives:

1. Continue advancing the Fire Station and Police Station projects
2. Continue to refine the Financing Plan/Property Tax Impact for School and Municipal Capital Projects
3. Continue to address Pedestrian, Bicycle and Vehicle Safety on Town Roads, Intersections and School Properties
4. Improve methods of Communication (inbound/outbound) of the Board and the Town given an increasing reliance on electronic mediums.

8100 Board of Selectmen



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Office Manager	0.94	0.94	1	1
Municipal Assistant	1	1	1	1
Recording Secretary	0	0	0	0.12
Total FTE	1.94	1.94	2.00	2.12
Total FT/PT	1 FT/1 PT	1 FT/1 PT	2 FT	2 FT/1 PT

8100 Board of Selectmen

Budget Recommendations:

The FY2018 recommended All Funds Board of Selectmen budget inclusive of the General Fund operating budget and the PEG Access Revolving Fund which funds the Town's annual contract with LexMedia, is \$1,196,458. The recommended budget is a \$21,099 or 1.73% decrease from the FY2017 budget.

The Selectmen's FY2018 recommended General Fund operating budget is \$648,580, which is a \$24,669 or 3.66% decrease from the FY2017 General Fund budget.

The General Fund operating budget for Compensation is \$125,304, and reflects a \$21,120 or 14.42% decrease, which reflects a restructuring of the office. FY2018 Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The General Fund operating budget for Expenses is \$523,276, which is a net decrease of \$3,549 or 0.67%. Annual audit costs are being restated to reflect actual billing, resulting in a savings of \$4,250, which is offset by inflationary increases for memberships and Town Report expenses.

The recommended FY2018 budget for legal expenses is unchanged from FY2017 at \$410,000. The recommended budget for the annual Town Report is \$13,688 which reflects an increase of \$188 or 1.39% over FY2017.

The FY2018 recommended PEG Revolving Fund request is \$547,878 which is a \$3,570 or 0.66% increase from FY2017.

Program Improvement Requests:

None requested.

8100 Board of Selectmen

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 570,380	\$ 420,308	\$ 592,963	\$ 568,112	\$ (24,850)	-4.19%
Enterprise Funds (Indirects)	\$ 1,015	\$ 1,103	\$ 1,136	\$ 1,067	\$ (69)	-6.04%
Revolving Funds						
PEG Access	\$ 416,061	\$ 508,472	\$ 544,308	\$ 547,878	\$ 3,570	0.66%
Fees						
Licenses & Permits	\$ 78,985	\$ 80,675	\$ 79,150	\$ 79,400	\$ 250	0.32%
Total 8100 Board of Selectmen	\$ 1,066,440	\$ 1,010,558	\$ 1,217,557	\$ 1,196,458	\$ (21,099)	-1.73%

Appropriation Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 119,765	\$ 136,653	\$ 146,424	\$ 125,304	\$ (21,120)	-14.42%
Expenses	\$ 946,675	\$ 873,905	\$ 1,071,133	\$ 1,071,154	\$ 21	0.00%
Total 8100 Board of Selectmen	\$ 1,066,440	\$ 1,010,558	\$ 1,217,557	\$ 1,196,458	\$ (21,099)	-1.73%

Program Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Total 8110 Selectmen's Office	\$ 211,699	\$ 216,377	\$ 249,749	\$ 224,892	\$ (24,857)	-9.95%
Total 8120 Legal	\$ 434,000	\$ 276,769	\$ 410,000	\$ 410,000	\$ -	0.00%
Total 8130 Town Report	\$ 4,680	\$ 8,940	\$ 13,500	\$ 13,688	\$ 188	1.39%
Total 8140 PEG Revolving Fund	\$ 416,061	\$ 508,472	\$ 544,308	\$ 547,878	\$ 3,570	0.66%
Total 8100 Board of Selectmen	\$ 1,066,440	\$ 1,010,558	\$ 1,217,557	\$ 1,196,458	\$ (21,099)	-1.73%

Object Code Summary (All Funds)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 119,765	\$ 136,653	\$ 146,424	\$ 125,304	\$ (21,120)	-14.42%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Personal Services</i>	<i>\$ 119,765</i>	<i>\$ 136,653</i>	<i>\$ 146,424</i>	<i>\$ 125,304</i>	<i>\$ (21,120)</i>	<i>-14.42%</i>
Contractual Services	\$ 919,256	\$ 855,109	\$ 1,046,133	\$ 1,045,641	\$ (492)	-0.05%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ 19,469	\$ 18,796	\$ 24,000	\$ 24,513	\$ 513	2.14%
Small Capital	\$ 7,950	\$ -	\$ 1,000	\$ 1,000	\$ -	-
<i>Expenses</i>	<i>\$ 946,675</i>	<i>\$ 873,905</i>	<i>\$ 1,071,133</i>	<i>\$ 1,071,154</i>	<i>\$ 21</i>	<i>0.00%</i>
Total 8100 Board of Selectmen	\$ 1,066,440	\$ 1,010,558	\$ 1,217,557	\$ 1,196,458	\$ (21,099)	-1.73%

Appropriation Summary (General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 119,765	\$ 136,653	\$ 146,424	\$ 125,304	\$ (21,120)	-14.42%
Expenses	\$ 530,614	\$ 365,433	\$ 526,825	\$ 523,276	\$ (3,549)	-0.67%
Total 8100 Board of Selectmen	\$ 650,379	\$ 502,086	\$ 673,249	\$ 648,580	\$ (24,669)	-3.66%

Appropriation Summary (Non-General Fund)	FY2015 Actual	FY2016 Actual	FY2017 Appropriation	FY2018 Recommended	Dollar Increase	Percent Increase
Expenses	\$ 416,061	\$ 508,472	\$ 544,308	\$ 547,878	\$ 3,570	0.66%
PEG Revolving Fund	\$ 416,061	\$ 508,472	\$ 544,308	\$ 547,878	\$ 3,570	0.66%
Total 8100 Board of Selectmen	\$ 416,061	\$ 508,472	\$ 544,308	\$ 547,878	\$ 3,570	0.66%

8200 Town Manager

Mission: The Board of Selectmen appoints the Town Manager who oversees the daily operations of all general government departments, implements the policies of the Board of Selectmen, 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 responsible for Human Resources and benefits 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.

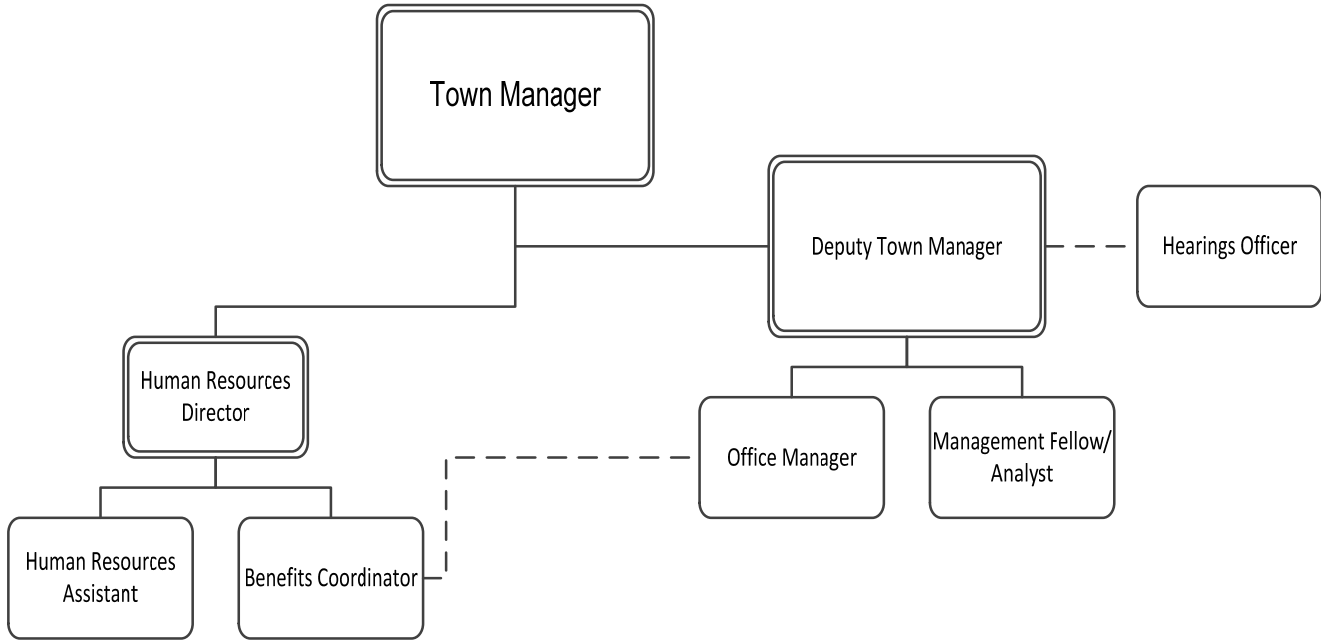
Organizational Direction and Administration includes day-to-day oversight for all Town departments, town-wide staff training and professional development, and special projects. This function also implements all decisions of the Board of Selectmen and provides staff support to various Town committees.

The Town Manager's Office, through the Human Resource function, is responsible for personnel administration, benefits administration, collective bargaining agreements, workers compensation and unemployment benefits.

Departmental Initiatives:

1. Continue to 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.
2. Continue the initiative to develop organizational sustainability by conveying institutional knowledge, engaging mid-level managers in decision making, and selecting and training qualified individuals.
3. Work to support the high performance culture in the organization by providing directed team building to the Senior Management Team.
4. Work to ensure that municipal services address the needs of Lexington's culturally diverse community.
5. Develop new revenue sources to support the budget, particularly the capital budget.

8200 Town Manager



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Town Manager	1	1	1	1
Deputy Town Manager	1	1	1	1
Office Manager/Special Events Coordinator	1	1	1	1
Benefits Coordinator	1	1	1	1
Assistant to the Town Manager ¹	1	0	0	0
Human Resources Director	1	1	1	1
Hearing Officers ²	0.12	0.12	0.12	0.12
Management Fellow/Analyst	1	1	1	1
Human Resources Associate ³	1	1	1	1
Total FTE	8.12	7.12	7.12	7.12
Total Full/Part Time	8 FT / 2 PT	7 FT / 2 PT	7 FT / 2 PT	7 FT / 2 PT

(1) Position reassigned to Information Technology in FY2015

(2) 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)

(3) In FY2017, the Human Resources Assistant was reclassified as a Human Resources Associate.

8200 Town Manager

Budget Recommendations:

The FY2018 recommended budget inclusive of the Town Manager’s Office and Human Resources is \$790,043. The recommended budget is a \$33,966, or 4.12% decrease from the restated FY2017 budget. The budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget as adopted at the 2016 annual town meeting.

The recommended FY2018 budget for Compensation is \$583,458, and reflects a \$10,701, or 1.87% increase, attributable to the cost of prospective step increases and the reclassification of the Human Resources Assistant position to a higher grade. FY2018 Compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended FY2018 budget for Expenses is \$206,585 and reflects a \$43,500, or 17.39% decrease which is a net change primarily due to a \$45,000 decrease in professional services for the Human Resources department for non-recurring services in FY2017.

The department's budget includes a Salary Adjustment Account, which reflects anticipated FY2018 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 Board of Selectmen. Contracts that are currently being negotiated whose outcome will affect the Salary Adjustment Account include Police Superiors, Patrol Officers, Crossing Guards and Fire Fighters. Contracts that expire at the end of FY2017 are also included in the Salary Adjustment account and are comprised of the Lexington Municipal Employee Association and the Library Staff Association.

Program Improvement Requests:

Description	Request			Recommended			Not Recommended
	Salaries and Expenses	Benefits (budgeted under Shared Expenses)	Total Requested	Salaries and Expenses	Benefits (budgeted under Shared Expenses)	Total	
Human Resources - Administrative Assistant	\$52,616	\$ 17,747	\$ 70,363			\$ -	\$ 70,363

8200 Town Manager

Program: General Government
Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 472,686	\$ 479,330	\$ 501,784	\$ 421,774	\$ (80,010)	-15.95%
Enterprise Funds (Indirect)	\$ 42,421	\$ 42,152	\$ 45,825	\$ 46,419	\$ 594	1.30%
Available Funds				-	-	-
Rentals*	\$ 287,082	\$ 255,391	\$ 276,400	\$ 321,850	\$ 45,450	16.44%
Total 8200 Town Manager	\$ 802,189	\$ 776,873	\$ 824,009	\$ 790,043	\$ (33,966)	-4.12%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 636,241	\$ 567,869	\$ 573,924	\$ 583,458	\$ 9,534	1.66%
Expenses	\$ 165,948	\$ 209,004	\$ 250,085	\$ 206,585	\$ (43,500)	-17.39%
Total 8200 Town Manager	\$ 802,189	\$ 776,873	\$ 824,009	\$ 790,043	\$ (33,966)	-4.12%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 8210 Organizational Dir. & Admin.	\$ 569,583	\$ 529,450	\$ 538,081	\$ 542,841	\$ 4,760	0.88%
Total 8220 Human Resources	\$ 232,605	\$ 247,423	\$ 285,928	\$ 247,202	\$ (38,726)	-13.54%
Total 8200 Town Manager	\$ 802,189	\$ 776,873	\$ 824,009	\$ 790,043	\$ (33,966)	-4.12%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 636,241	\$ 567,869	\$ 573,924	\$ 583,458	\$ 9,534	1.66%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
Personal Services	\$ 636,241	\$ 567,869	\$ 573,924	\$ 583,458	\$ 9,534	1.66%
Contractual Services	\$ 132,707	\$ 169,213	\$ 215,850	\$ 172,350	\$ (43,500)	-20.15%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ 15,176	\$ 19,986	\$ 14,735	\$ 14,735	\$ -	-
Small Capital	\$ 18,066	\$ 19,805	\$ 19,500	\$ 19,500	\$ -	-
Expenses	\$ 165,948	\$ 209,004	\$ 250,085	\$ 206,585	\$ (43,500)	-17.39%
Total 8200 Town Manager	\$ 802,189	\$ 776,873	\$ 824,009	\$ 790,043	\$ (33,966)	-4.12%

*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)

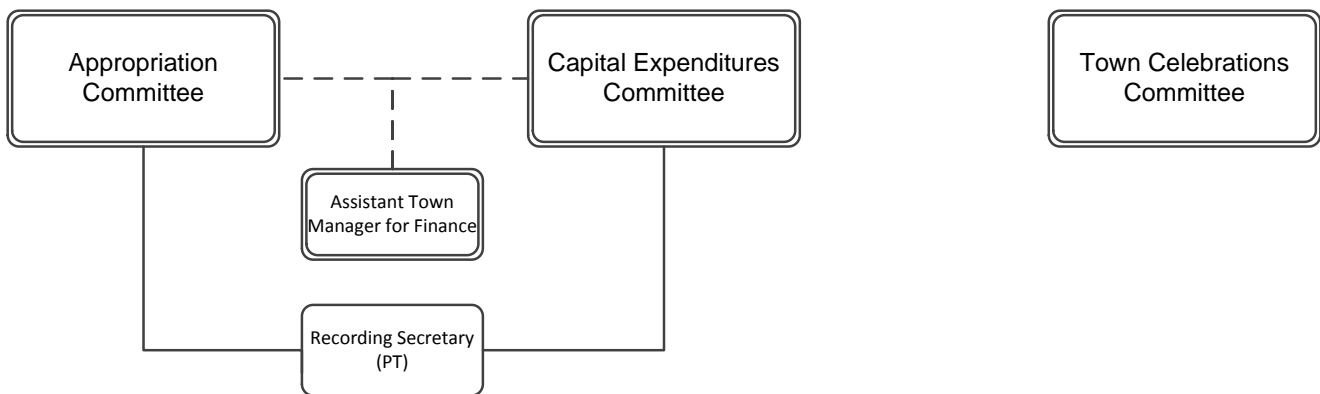
Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 587,310	\$ 455,517	\$ 546,757	\$ 750,592	\$ 203,835	37.28%
Total 8200 Town Manager	\$ 587,310	\$ 455,517	\$ 546,757	\$ 750,592	\$ 203,835	37.28%

Program Summary	FY2015 Balance	FY2016 Balance	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 8230 Salary Adjustment	\$ 587,310	\$ 455,517	\$ 546,757	\$ 750,592	\$ 203,835	37.28%
Total 8200 Town Manager	\$ 587,310	\$ 455,517	\$ 546,757	\$ 750,592	\$ 203,835	37.28%

8300 Town Committees

Mission: Town Committees includes the Appropriation Committee, Capital Expenditures Committee, Town Celebrations Committee and various boards and committees appointed by the Board of Selectmen, 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 Board of selectmen, plans the Town's annual celebrations, including parades on Veterans', Memorial, Patriots' Day as well as the Martin Luther King Day celebration.



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.

Budget Recommendations:

The FY2018 Town Manager's recommended Town Committees budget is \$57,880. This is a \$23,620 or a 28.98% decrease from the restated FY2017 budget. The budget is restated to reflect the \$30,000 supplemental appropriation for the Vision 20/20 survey approved at Special Town Meeting.

Compensation is increasing \$130, or 2.0% with expenses decreasing by \$23,750 or 31.67%. The expense decrease is due to removing a one-time FY2017 expenditure for the Vision 20/20 study (\$30,000). The FY2017 budget includes \$5,250 for the Dance Around the World event, which is held every two years and reflects a 5% increase from its FY2016 budget.

8300 Town Committees

Program: General Government
Town of Lexington, Massachusetts

Program Improvement Request:

Description	Request			Recommended			Not Recommended
	Salaries and Expenses	Benefits (budgeted under Shared Expenses)	Total Requested	Salaries and Expenses	Benefits (budgeted under Shared Expenses)	Total	
Council for the Arts Grant Program	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000

Budget Summary:

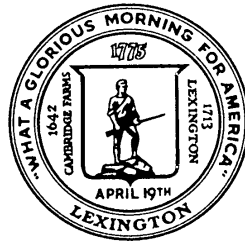
Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 49,270	\$ 96,664	\$ 81,500	\$ 57,880	\$ (23,620)	-28.98%
Total 8300 Town Committees	\$ 49,270	\$ 96,664	\$ 81,500	\$ 57,880	\$ (23,620)	-28.98%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 6,143	\$ 5,791	\$ 6,500	\$ 6,630	\$ 130	2.00%
Expenses	\$ 43,126	\$ 90,873	\$ 75,000	\$ 51,250	\$ (23,750)	-31.67%
Total 8300 Town Committees	\$ 49,270	\$ 96,664	\$ 81,500	\$ 57,880	\$ (23,620)	-28.98%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 8310 Financial Committees	\$ 6,476	\$ 6,652	\$ 8,000	\$ 8,130	\$ 130	1.63%
Total 8320 Misc. Boards & Committees	\$ 1,813	\$ 16,818	\$ 34,500	\$ 4,500	\$ (30,000)	-86.96%
Total 8330 Town Celebrations	\$ 40,980	\$ 73,194	\$ 39,000	\$ 45,250	\$ 6,250	16.03%
Total 8300 Town Committees	\$ 49,270	\$ 96,664	\$ 81,500	\$ 57,880	\$ (23,620)	-28.98%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 6,143	\$ 5,791	\$ 6,500	\$ 6,630	\$ 130	2.00%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Compensation</i>	<i>\$ 6,143</i>	<i>\$ 5,791</i>	<i>\$ 6,500</i>	<i>\$ 6,630</i>	<i>\$ 130</i>	<i>2.00%</i>
Contractual Services	\$ 1,107	\$ 16,267	\$ 34,000	\$ 4,000	\$ (30,000)	-88.24%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-
Supplies	\$ 42,020	\$ 74,606	\$ 41,000	\$ 47,250	\$ 6,250	15.24%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	-
<i>Expenses</i>	<i>\$ 43,126</i>	<i>\$ 90,873</i>	<i>\$ 75,000</i>	<i>\$ 51,250</i>	<i>\$ (23,750)</i>	<i>-31.67%</i>
Total 8300 Town Committees	\$ 49,270	\$ 96,664	\$ 81,500	\$ 57,880	\$ (23,620)	-28.98%

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8400 Finance

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, the Assessing Office and the Utility Billing 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.

The Utility Division's primary function is the operation of the Town's utility billing system and the issuance of monthly and semi-annual water and sewer bills.

8400 Finance

Departmental Initiatives:

Assessing:

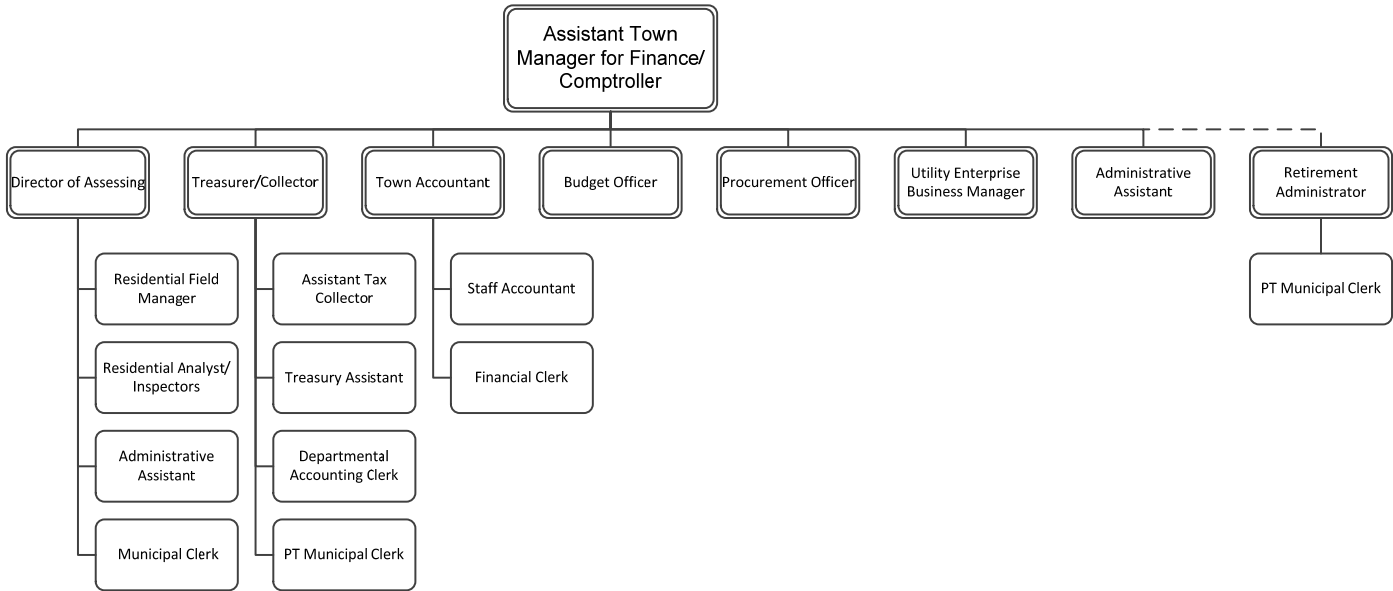
- 1. Administer a 6-year, cyclical annual inspection program for interior and exterior inspection and comply with requirements of the Massachusetts Department of Revenue pertaining to the FY2018 recertification of values.
- 2. Develop a protocol for regular data entry of permits and deeds into Vision to mitigate backlogs.
- 3. Embark on cross-training program among Assessing Department employees to promote staff capacity at all times.
- 4. Activate GIS functionality in Vision software and train staff in its use.

Comptroller:

- 1. Continue to implement general billing for miscellaneous receivables.

Treasurer/Collector:

- 1. Bid bill printing services.
- 2. Pursue tax foreclosures.
- 3. Explore online access to individual property tax accounts.



8400 Finance

Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 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	1	1	1	1
Financial Clerk	1	1	1	1
Budget Officer	1	1	1	1
Administrative Assistant	0.4	0.4	0.4	0.4
Subtotal FTE	6.40	6.40	6.40	6.40
Subtotal FT/PT	6 FT/1PT	6 FT/1PT	6 FT/1PT	6 FT/1PT
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	4 FT/1 PT	4 FT/1 PT	4 FT/1 PT	4 FT/1 PT
Element 8430: Assessor				
Director of Assessing	1	1	1	1
Residential Field Manager ¹	1	1	1	1
Residential Analyst/Inspector	2	2	2	2
Office Manager ²	1	1	1	1
Municipal Clerks	0.46	0.79	1.14	1.14
Subtotal FTE	5.46	5.79	6.14	6.14
Subtotal FT/PT	5FT/2 PT	5FT/2PT	6FT/1PT	6FT/1PT
Element 8440: Utility Billing				
Utility Enterprise Business Manager	1	1	1	1
Subtotal FTE	1.00	1.00	1.00	1.00
Subtotal FT/PT	1 FT/0 PT	1 FT/0 PT	1 FT/0 PT	1 FT/0 PT
Total FTE	17.32	17.65	18.00	18.00
Total FT/PT	16 FT/4 PT	16 FT/4 PT	17 FT/3 PT	17 FT/3 PT

¹ In FY2015 this position was classified as Commercial Appraiser. It was recast as Residential Field Manager as a result of a reorganization of the Assessing Office implemented in the Fall of 2015.

² In FY2015 this position was classified as Administrative Assistant. It was recast as Office Manager as a result of a reorganization of the Assessing Office implemented in the Fall of 2015.

8400 Finance

Budget Recommendations:

The FY2018 recommended General Fund Finance Department budget is 1,880,025, which represents a \$28,312, or 1.48% decrease from the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The General Fund operating budget for Compensation is \$1,394,395, and reflects a \$15,947, or 1.13% decrease, which is a net decrease attributable to the retirement of the Town Comptroller and his replacement at a lower salary, as well as costs for contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any estimate of prospective cost of living increases for personnel whose contracts expire on June 30, 2017. Funds for such prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The recommended budget for Expenses is \$485,630 and reflects a \$12,365 or 2.48% decrease attributable to realigning costs in various budget lines across Finance department divisions.

Program Improvement Requests:

None Requested.

8400 Finance

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 1,396,035	\$ 1,456,029	\$ 1,627,178	\$ 1,616,069	\$ (11,109)	-0.68%
Enterprise Funds (Indirects)	\$ 225,094	\$ 223,666	\$ 243,159	\$ 230,955	\$ (12,204)	-5.02%
Fees & Charges						
Charges for Services	\$ 34,504	\$ 32,658	\$ 38,000	\$ 33,000	\$ (5,000)	-13.16%
Total 8400 Finance	\$ 1,655,633	\$ 1,712,353	\$ 1,908,337	\$ 1,880,025	\$ (28,312)	-1.48%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,223,727	\$ 1,307,608	\$ 1,410,342	\$ 1,394,395	\$ (15,947)	-1.13%
Expenses	\$ 431,907	\$ 404,745	\$ 497,995	\$ 485,630	\$ (12,365)	-2.48%
Total 8400 Finance	\$ 1,655,633	\$ 1,712,353	\$ 1,908,337	\$ 1,880,025	\$ (28,312)	-1.48%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 8410 Comptroller	\$ 609,342	\$ 665,588	\$ 701,352	\$ 669,532	\$ (31,820)	-4.54%
Total 8420 Treasurer/Collector	\$ 378,209	\$ 369,326	\$ 399,272	\$ 399,894	\$ 622	0.16%
Total 8430 Assessing	\$ 592,533	\$ 601,168	\$ 730,210	\$ 733,096	\$ 2,885	0.40%
Total 8440 Utility Billing	\$ 75,550	\$ 76,271	\$ 77,503	\$ 77,503	\$ -	0.00%
Total 8400 Finance	\$ 1,655,633	\$ 1,712,353	\$ 1,908,337	\$ 1,880,025	\$ (28,312)	-1.48%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,223,727	\$ 1,307,608	\$ 1,410,342	\$ 1,394,395	\$ (15,947)	-1.13%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-
Personal Services	\$ 1,223,727	\$ 1,307,608	\$ 1,410,342	\$ 1,394,395	\$ (15,947)	-1.13%
Contractual Services	\$ 384,915	\$ 343,905	\$ 448,455	\$ 435,715	\$ (12,740)	-2.84%
Utilities	\$ 345	\$ 15,779	\$ 1,350	\$ 2,550	\$ 1,200	88.89%
Supplies	\$ 45,937	\$ 44,562	\$ 48,190	\$ 47,365	\$ (825)	-1.71%
Small Capital	\$ 710	\$ 499	\$ -	\$ -	\$ -	-
Expenses	\$ 431,907	\$ 404,745	\$ 497,995	\$ 485,630	\$ (12,365)	-2.48%
Total 8400 Finance	\$ 1,655,633	\$ 1,712,353	\$ 1,908,337	\$ 1,880,025	\$ (28,312)	-1.48%

8500 Town Clerk

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, 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 Chief Information Officer.

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 and other official actions, 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.

Registration: Registrars, appointed by the Board of Selectmen, are responsible for promoting voter registration, overseeing voter records, and ruling on voter eligibilities. 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 through this element.

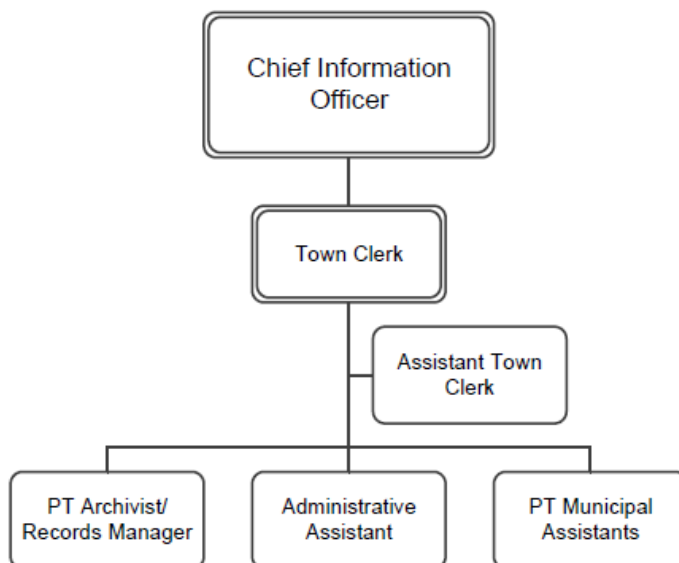
Elections: This element includes administration of local, state and national elections in accordance with current election laws, most recently including Early Voting and pre-registration of 16 and 17 year olds. Staff provide information on candidate certifications, referenda, initiative petitions, campaign finance laws, election procedures, ballot initiatives, and voter information. Election site preparations are coordinated with Public Works, Public Facilities, Police, and Lexington Public Schools.

Archives & Records Management: This element addresses inventory and retention of records and documents, proper maintenance and storage of records, preservation of documents, and public access to public records and information. A part-time Archivist/Records Manager is responsible for overseeing the conservation, preservation, digitization and cataloging of Lexington's historic documents and records.

8500 Town Clerk

Departmental Initiatives:

1. Ongoing administration of town/state/federal elections in conformance with statutory requirements to provide legal and accessible elections to Lexington voters, including adhering to Election Reform laws of 2014. Continued emphasis on long term goal of utilizing municipal buildings for polling locations.
2. Continued development of coordinated Archives & Records Management Program;
3. Enhancement and further implementation of Laserfiche Document Imaging System for records retention, electronic access, and archives/records portal.
4. Continued use of Commonwealth of Massachusetts Electronic Vital Records Systems for births, deaths and burial permits.



Authorized/Appropriated Staffing

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Town Clerk	1	1	1	1
Assistant Town Clerk	1	1	1	1
Administrative Assistant	1	1	1	1
Municipal Assistant	1.03	1.03	1.03	1.03
Archivist/Records Manager	0.46	0.46	0.46	0.46
Total FTE	4.49	4.49	4.49	4.49
Total FT/PT	3 FT/ 3 PT	3 FT/ 3 PT	3 FT/ 3 PT	3 FT/ 3 PT

8500 Town Clerk

Budget Recommendations:

The FY2018 recommended Town Clerk budget is \$478,086 which is a \$17,603 or 3.55% decrease from the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The budget for Compensation is \$357,836 and reflects a \$12,286 or 3.32% decrease, which is a net change attributable to fewer elections in FY2018, as well as the recommended funding of a program improvement request for additional staff hours. The decrease in FY2018 compensation is inclusive of contractually obligated step increases and cost of living adjustments. FY2018 compensation does not include any estimate of prospective cost of living increases. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager's budget.

The budget for Expenses is \$120,250 and reflects a \$5,317, or 4.23% decrease which is driven by fewer elections in FY2018.

Program Improvement Request:

Description	Requested			Recommended			Not Recommended
	Salaries and Expenses	Benefits (budgeted under Shared Expenses)	Total Requested	Salaries and Expenses	Benefits (budgeted under Shared Expenses)	Total	
Municipal Assistant - Additional Hours	\$ 9,871	\$ 15,554	\$ 25,425	\$ 9,871	\$ 14,596	\$ 24,467	\$ -

8500 Town Clerk

Program: General Government
Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$ 339,669	\$ 343,149	\$ 411,768	\$ 394,186	\$ (17,581)	-4.27%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	-
Directed Funding	\$ -	\$ -	\$ -	\$ -	\$ -	-
Fees: Town Clerk	\$ 37,041	\$ 34,825	\$ 35,800	\$ 35,900	\$ 100	0.28%
Licenses & Permits: Town Clerk	\$ 49,120	\$ 48,321	\$ 48,122	\$ 48,000	\$ (122)	-0.25%
Total 8500 Town Clerk	\$ 425,829	\$ 426,295	\$ 495,689	\$ 478,086	\$ (17,603)	-3.55%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 311,770	\$ 329,359	\$ 370,122	\$ 357,836	\$ (12,286)	-3.32%
Expenses	\$ 114,059	\$ 96,936	\$ 125,567	\$ 120,250	\$ (5,317)	-4.23%
Total 8500 Town Clerk	\$ 425,829	\$ 426,295	\$ 495,689	\$ 478,086	\$ (17,603)	-3.55%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 8510 Town Clerk Administration	\$ 254,618	\$ 276,483	\$ 290,668	\$ 305,888	\$ 15,220	5.24%
Total 8520 Board of Registrars	\$ 14,763	\$ 15,566	\$ 17,325	\$ 17,325	\$ -	0.00%
Total 8530 Elections	\$ 118,034	\$ 97,533	\$ 137,364	\$ 105,250	\$ (32,114)	-23.38%
Total 8540 Records Management	\$ 38,415	\$ 36,713	\$ 50,333	\$ 49,623	\$ (709)	-1.41%
Total 8500 Town Clerk	\$ 425,829	\$ 426,295	\$ 495,689	\$ 478,086	\$ (17,603)	-3.55%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 304,575	\$ 323,250	\$ 361,174	\$ 349,836	\$ (11,338)	-3.14%
Overtime	\$ 7,194	\$ 6,109	\$ 8,948	\$ 8,000	\$ (948)	-10.59%
<i>Personal Services</i>	<i>\$ 311,770</i>	<i>\$ 329,359</i>	<i>\$ 370,122</i>	<i>\$ 357,836</i>	<i>\$ (12,286)</i>	<i>-3.32%</i>
Contractual Services	\$ 101,920	\$ 86,432	\$ 110,692	\$ 106,600	\$ (4,092)	-3.70%
Utilities	\$ 2,520	\$ 1,500	\$ 3,500	\$ 3,500	\$ -	0.00%
Supplies	\$ 9,620	\$ 8,804	\$ 11,175	\$ 10,050	\$ (1,125)	-10.07%
Small Capital	\$ -	\$ 200	\$ 200	\$ 100	\$ (100)	-50.00%
<i>Expenses</i>	<i>\$ 114,059</i>	<i>\$ 96,936</i>	<i>\$ 125,567</i>	<i>\$ 120,250</i>	<i>\$ (5,317)</i>	<i>-4.23%</i>
Total 8500 Town Clerk	\$ 425,829	\$ 426,295	\$ 495,689	\$ 478,086	\$ (17,603)	-3.55%

8600 Information Services Department

Town of Lexington, MA

Mission: The Information Services Department provides information technology services and resources to all Town staff, including accounting and payroll applications, along with other core technology-related services for municipal and school departments.

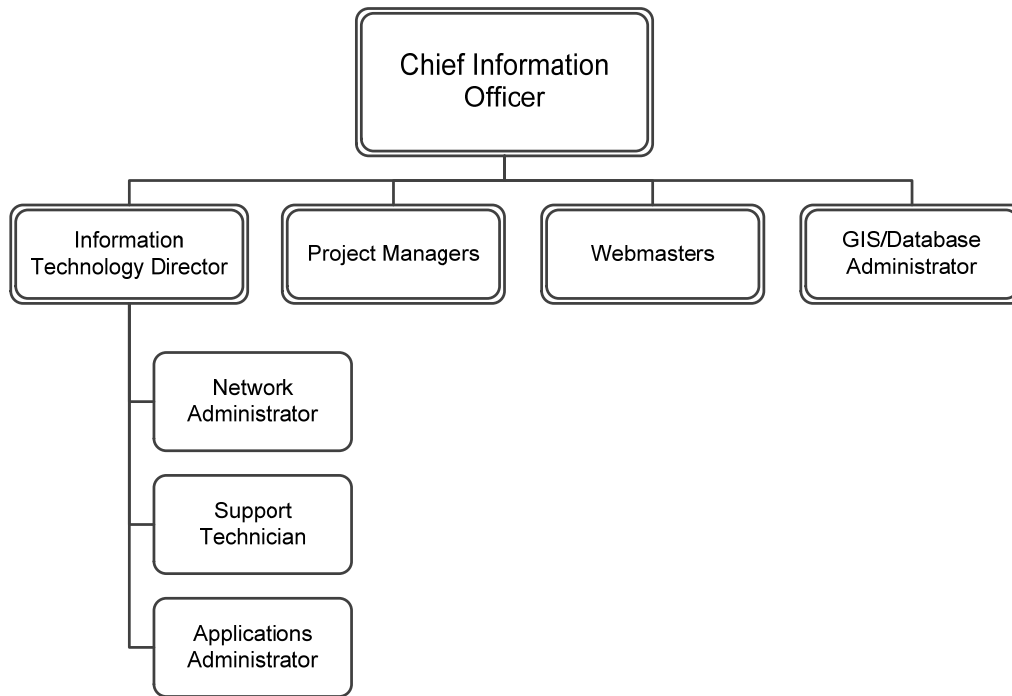
Budget Overview: The Information Services Department (IS) supports, maintains and manages the Town's information technology systems (hardware, software and web sites) that are critical elements of service delivery and program management for all of the Town's departmental operations. Services provided include: hardware and software support for all information technology activities in all municipal operations; staff training; maintenance of financial management hardware and software (MUNIS) that serves town and school departments; electronic mail and internet access; support of the Town's website on the internet and intranet; voice over internet protocol (VoIP) phone infrastructure and applications; head end management and support; and co-management, with School Department Information Technology staff, of the Town's wide-area network that connects 30 town and school buildings.

Departmental Initiatives:

1. Improve network and services resiliency through installation of redundant network pathways and failover hardware (switches and servers).
2. Expand wireless capability to additional municipal buildings.
3. Manage self service enhancements and improvements for Town employees and residents including on-line permitting and improved on-line document management and resources.
4. Continue implementation of VoIP phone systems to municipal and school buildings.
5. Develop GIS based improvements, including meeting new state GIS standards and delivering GIS on-line with improved function and information.
6. Update and support Town website capabilities for departments and users.
7. Provide IT project leadership for the selection and implementation of the new Town Public Safety system

8600 Information Services Department

Town of Lexington, MA



Authorized and Appropriated Staffing:

	FY2015 Budget	FY2016 Budget	FY2017 Budget	FY2018 Request
Chief Information Officer	1	1	1	1
Information Technology Director	1	1	1	1
Project Manager ^{1, 2}	0	1.8	1.8	2
Network Administrator	1	1	1	1
GIS/Database Administrator	1	1	1	1
Support Technician	1	1	1	1
Applications Administrator	0	1	1	1
Webmaster	1	2	2	2
Total FTE	6	9.8	9.8	10
Total FT/PT	6 FT	9 FT/1 PT	9 FT/1 PT	10 FT

¹The funding for the Project Manager was transferred from the Town Manager's Office to the Information Services (IS) budget in FY2015. In FY2016 and FY2017 the position was reduced to 0.8 FTE. With the retirement of the incumbent in December 2017, the position will be reposted for hiring and funded for FY2018 as 1.0 FTE

²The full-time Project Manager position was partially funded (80%) via Capital Article 2015/11P for FY2016, with the remainder in IS. In FY2017, the IS budget funded 60% of the salary and the capital article funded the remaining 40%. For FY2018, the IS budget will fund 100% of the position.

8600 Information Services Department

Town of Lexington, MA

Budget Recommendations:

The FY2018 recommended Information Services budget is \$1,965,892, which is a \$128,888 or 7.02% increase over the restated FY2017 budget. The FY2017 budget is restated to reflect cost of living increases that were negotiated subsequent to the adoption of the FY2017 budget at the 2016 annual town meeting.

The recommended budget for Compensation is \$807,817, and reflects a \$1,713 or 0.21% increase, which is a net increase that reflects replacing retired staff at lower steps, increasing the Project Manager from 0.8 to 1.0 FTE and shifting 0.4 FTE of funding for a second project manager from capital to the IS budget. It also includes contractually obligated step increases and cost of living adjustments. FY2018 Compensation does not include any prospective cost of living increases for contracts that expire on June 20, 2017. Funds for prospective increases are captured in the Salary Adjustment account within the Town Manager’s budget.

The recommended budget for Expenses is \$1,158,075 and reflects a \$127,175 or 12.34% increase. Major factors driving the increase are the growing cost of software maintenance for both existing licenses as well as new application support contracts, the continuation of the transfer of responsibility for Town phone systems and the accompanying utility costs, an increase in mobile services costs due to mobile data needs, and additional costs for LAN hardware and software costs for IS support of the Library.

The expense budget includes an increase of \$15,000 for IT services through the MAGIC (Lexington sub-regional planning organization) consortium. The Town Manager and CIO have been evaluating whether certain technology services can be more effectively provided through a multi-town consortium that may have improved purchasing power. A State grant has assisted the MAGIC communities in evaluating this option. As a next step, the MAGIC communities will each contribute \$15,000 that will be used to procure certain common network and security services.

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 Requested	
IT Services through MAGIC Regional Consortium	\$ 15,000		\$ 15,000	\$ 15,000		\$ 15,000	\$ -

8600 Information Services Department

Town of Lexington, MA

Budget Summary:

Funding Sources	FY2015 Actual	FY2016 Actual	FY2017 Estimated	FY2018 Projected	Dollar Increase	Percent Increase
Tax Levy	\$1,113,637	\$1,597,685	\$1,773,536	\$1,850,675	\$77,139	4.35%
Enterprise Funds (Indirects)	\$56,680	\$61,619	\$63,468	\$115,217	\$51,749	83.98%
Total 8600 Information Services	\$1,170,317	\$1,659,304	\$1,837,004	\$1,965,892	\$128,888	7.02%

Appropriation Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Compensation	\$458,967	\$684,694	\$806,104	\$807,817	\$1,713	0.21%
Expenses	\$711,350	\$974,611	\$1,030,900	\$1,158,075	\$127,175	12.34%
Total 8600 Information Services	\$1,170,317	\$1,659,304	\$1,837,004	\$1,965,892	\$128,888	7.02%

Program Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Total 8610 IS Administration	\$1,170,317	\$1,659,304	\$1,837,004	\$1,965,892	\$128,888	7.02%
Total 8600 Information Services	\$1,170,317	\$1,659,304	\$1,837,004	\$1,965,892	\$128,888	7.02%

Object Code Summary	FY2015 Actual	FY2016 Actual	FY2017 Restated	FY2018 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$457,185	\$683,772	\$802,968	\$804,017	\$1,049	0.13%
Overtime	\$1,781	\$922	\$3,137	\$3,800	\$664	21.15%
<i>Personal Services</i>	<i>\$458,967</i>	<i>\$684,694</i>	<i>\$806,104</i>	<i>\$807,817</i>	<i>\$1,713</i>	<i>0.21%</i>
Contractual Services	\$449,092	\$745,746	\$757,000	\$865,575	\$108,575	14.34%
Utilities	\$37,043	\$69,141	\$93,400	\$112,000	\$18,600	19.91%
Supplies	\$3,432	\$27,807	\$26,500	\$26,500	\$-	-
Small Capital	\$221,783	\$131,916	\$154,000	\$154,000	\$-	-
<i>Expenses</i>	<i>\$711,350</i>	<i>\$974,611</i>	<i>\$1,030,900</i>	<i>\$1,158,075</i>	<i>\$127,175</i>	<i>12.34%</i>
Total 8600 Information Services	\$1,170,317	\$1,659,304	\$1,837,004	\$1,965,892	\$128,888	7.02%

Section XI: Capital Investment



Section XI: Capital Investment

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 all of the following criteria:

- Massachusetts General Laws permit 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 FY2018 Capital Budget was developed within the capital policy framework initially adopted by the Board of Selectmen 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).
- **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 FY07, 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 FY08, the Town began to receive State matching funds to supplement the local surcharge. Receipts for FY2016 from the surcharge and state matching funds are preliminarily estimated at \$5 million.

FY2018 CAPITAL FINANCING STRATEGY

The proposed financing plan for the recommended FY2018 capital budget is shown in the table below.

Capital Requests Summary					
	Free Cash/ Tax Levy	Other Funding Sources¹	Debt³	Total	Other⁴
General Fund	\$ 6,087,640	\$ -	\$ 8,511,626	\$ 14,599,266	\$ -
Proposed Excluded Debt Projects	\$ -	\$ -	\$ 90,443,000	\$ 90,443,000	\$ -
Chapter 90/Other Funding	\$ -	\$ 94,459	\$ -	\$ 94,459	\$ 1,046,016
Water Enterprise	\$ -	\$ 1,095,000	\$ -	\$ 1,095,000	\$ -
Sewer Enterprise	\$ -	\$ 1,290,000	\$ 530,000	\$ 1,820,000	\$ -
Recreation Enterprise	\$ -	\$ 55,000	\$ -	\$ 55,000	\$ -
Compost Revolving Fund	\$ -	\$ -	\$ 725,000	\$ 725,000	\$ -
Community Preservation Act ²	\$ -	\$ 3,186,142	\$ -	\$ 3,186,142	\$ -
Total (all Funds)	\$ 6,087,640	\$ 5,720,601	\$ 100,209,626	\$ 112,017,867	\$ 1,046,016

¹ Other Funding includes \$35,000 from the Sale of Cemetery Lots Special Revenue Fund for the Westview Cemetery Building Assessment and \$59,459 from prior years' unused bond proceeds for Public Facilities Bid Documents.

² Includes both Town and non-Town CPA funded projects.

³ General Fund debt of \$8,511,626 (from Table I - FY2018 Recommended Projects -General Fund Debt) is net of \$1,811,250 for those projects that are potential candidates for debt exclusions as this amount is also included in the \$90,443,000 of Proposed Excluded Debt Projects (Table V - FY2018 Recommended Projects - Funding Through Proposition 2 1/2 Debt Exclusion).

⁴ Other includes \$75,000 from the School's Food Service Revolving Fund for food service equipment and \$971,016 in Chapter 90 Aid for street improvements. These items do not require a Town Meeting appropriation.

It is recommended by the Town Manager and School Superintendent that certain projects proposed for FY2018 included in the \$8,511,626 General Fund Debt shown above – if recommended by the Board of Selectmen and approved by Town Meeting – be held in abeyance until the outcome of a prospective Fall 2017 debt exclusion vote(s) is known. The reason for this recommendation is that should any project anticipated for the debt exclusion vote not be approved, the property tax revenue within the Proposition 2½ levy limit will have to absorb the debt service resulting from these projects. This additional within-levy debt service may impact the Town's ability to manage overall within-levy debt service, particularly if the projects still go forward because of their urgency. These projects include:

PROPOSED PROJECTS TO BE HELD IN ABEYANCE

PROJECT	AMOUNT FINANCED	PROJECTED DEBT SERVICE				
		FY2018	FY2019	FY2020	FY2021	FY2022
Equipment Replacement (Sno Go Snow Blower)	\$ 153,000	\$ 4,080	\$ 36,720	\$ 35,496	\$ 34,272	\$ 33,048
Townwide Culvert Replacement	\$ 390,000	\$ 10,400	\$ 93,600	\$ 90,480	\$ 87,360	\$ 84,240
Bikeway Bridge Renovations	\$ 249,426	\$ 6,651	\$ 59,862	\$ 57,867	\$ 55,871	\$ 53,876
Total	\$ 792,426	\$ 21,131	\$ 190,182	\$ 183,843	\$ 177,503	\$ 171,164

The following table, FY2018 Recommended Capital Budget, lists all FY2018 projects recommended by the Town Manager 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.

FY2018 Recommended Capital Budget

Department	Project Description	Recommendation (2017 ATM)	Recommendation (Fall 2017 STM)	Requested Funding Source(s)
Conservation	Cotton Farm Conservation Area Improvements	\$ 301,300		CPA
Conservation	Willard's Woods and Wright Farm Meadow Preservation	\$ 40,480		CPA
Land Use	Wright Farm Supplemental Funds	\$ 37,900		CPA
Land Use	Stone Building Analysis	\$ 25,000		CPA
Planning	Bedford St. at Eldred St. Safety Improvements	\$ 175,000		Free Cash
Planning	Affordable Units Preservation - Pine Grove/Judges Road	TBD		CPA
TSG (Planning/Engineering)	Transportation Mitigation	\$ 100,000		Free Cash
TSG (Planning/Engineering)	Hill Street New Sidewalk Project - Design	\$ 150,000		Free Cash
Total Land Use, Health and Development		\$ 829,680	\$ -	
Fire & Rescue	Ambulance Replacement	\$ 280,000		GF Debt
Total Public Safety		\$ 280,000	\$ -	
Recreation & Comm. Pgms.	Park and Playground Improvements	\$ 60,000		CPA
Recreation & Comm. Pgms.	Town Pool Renovation	\$ 1,620,000		CPA
Recreation & Comm. Pgms.	Park Improvements - Athletic Fields	\$ 125,000		CPA
Recreation & Comm. Pgms.	Pine Meadows Equipment	\$ 55,000		Recreation RE
Total Culture and Recreation		\$ 1,860,000	\$ -	
Public Facilities	School Building Envelopes and Systems Program	\$ 222,200		Free Cash
Public Facilities	LHS Air Conditioning - Teacher Planning Offices and Library	\$ 600,000		GF Debt
Public Facilities	Municipal Building Envelopes and Systems	\$ 194,713		Tax Levy
Public Facilities	Building Flooring Program	\$ 150,000		Free Cash
Public Facilities	School Paving Program	\$ 172,226		Free Cash
Public Facilities	45 Bedford Street Fire Station Replacement - Design	\$ 450,000		GF Debt (potentially exempt)
Public Facilities	45 Bedford Street Fire Station Replacement - Construction	\$ -	\$ 18,350,000	GF Debt (potentially exempt)
Public Facilities	Public Facilities Bid Documents	\$ 159,459		Free Cash/Prior Bond Auth.
Public Facilities	Hastings School Renovation/Replacement - Design	\$ 720,000		GF Debt (potentially exempt)
Public Facilities	Hastings School Renovation/Replacement - Construction	\$ -	\$ 59,480,000	GF Debt (potentially exempt)
Public Facilities	School Traffic Safety Improvements	\$ 45,000		Free Cash
Public Facilities	Public Facilities Mechanical/Electrical System Replacements	\$ 489,000		Free Cash
Public Facilities	LHS Security Evaluation and Upgrade	\$ 150,000		Free Cash
Public Facilities	LHS Guidance Space Mining	\$ 230,200		GF Debt
Public Facilities	LHS Nurse Office and Treatment Space	\$ 320,100		GF Debt
Public Facilities	Munroe School Window Restoration	\$ 620,000		CPA
Public Facilities	Fire Department Swing Space, 173 Bedford Street - Design	\$ 50,000		GF Debt (potentially exempt)
Public Facilities	Fire Department Swing Space, 173 Bedford Street - Construction	\$ -	\$ 2,043,000	GF Debt (potentially exempt)
Public Facilities	Lexington Children's Place	\$ 771,250		GF Debt (potentially exempt)
Public Facilities	Lexington Children's Place/Community Space - Construction	\$ -	\$ 23,628,750	GF Debt (potentially exempt)
Public Facilities	Parking Lot for Community Center	\$ 425,000		Free Cash
Total Public Facilities Department		\$ 5,769,148	\$ 103,501,750	
Public Works	Automatic Meter Reading System	\$ 40,000		Water RE/Wastewater RE
Public Works	Equipment Replacement	\$ 1,083,000		GF Debt/Compost RF Debt
Public Works	Street Improvements	\$ 2,542,927		Tax Levy
Public Works	Storm Drainage Improvements and NPDES compliance	\$ 340,000		Free Cash
Public Works	Sanitary Sewer System Investigation and Improvements	\$ 1,000,000		Wastewater RE
Public Works	Hydrant Replacement Program	\$ 150,000		Free Cash/Water RE
Public Works	Pump Station Upgrades	\$ 800,000		Wastewater RE/ Debt
Public Works	Street Acceptance	\$ 147,000		GF Debt/Betterment
Public Works	Comprehensive Watershed Stormwater Management Study and Implementation	\$ 390,000		GF Debt
Public Works	Water Distribution System Improvements	\$ 1,000,000		Water RE
Public Works	Sidewalk Improvement	\$ 800,000		GF Debt
Public Works	Dam Repair	\$ 760,000		GF Debt
Public Works	Townwide Culvert Replacement	\$ 390,000		GF Debt
Public Works	Townwide Signalization Improvements	\$ 125,000		Free Cash
Public Works	Hartwell Avenue Infrastructure Improvements - Supplemental	\$ 2,185,000		GF Debt
Public Works	Bikeway Bridge Renovations	\$ 368,000		Free Cash/ GF Debt
Public Works	Hartwell Avenue Compost Site Improvements	\$ 200,000		Compost Revolving Fund Debt
Public Works	Westview Cemetery Building Design	\$ 270,000		GF Debt
Public Works	Community Center Sidewalk	\$ 220,000		CPA
Public Works	Westview Cemetery Irrigation	\$ 35,000		Sale of Cemetery Lots SRF
Public Works	Highway Sign Machine	\$ 40,000		Free Cash
Total Public Works Department		\$ 12,885,927	\$ -	

FY2018 Recommended Capital Budget (continued)

Department	Project Description	Recommendation (2017 ATM)	Recommendation (Fall 2017 STM)	Requested Funding Source(s)
<i>Lexington Public Schools</i>	Food Service Equipment	\$ 75,000		Food Service Revolving Fund
<i>Lexington Public Schools</i>	School Furniture, Equipment & Systems Program	\$ 123,000		Free Cash
<i>Lexington Public Schools</i>	LPS Technology Capital Request	\$ 1,331,900		GF Debt
Total Lexington Public Schools		\$ 1,529,900	\$ -	
<i>Information Services</i>	Replace Townwide Phone Systems-Phase VI	\$ 120,000		Free Cash
<i>Information Services</i>	Municipal Technology Improvement Program	\$ 100,000		Free Cash
<i>Information Services</i>	Network Redundancy & Improvement Plan	\$ 130,000		Free Cash
Total General Government		\$ 350,000	\$ -	
<i>Non-Governmental Projects</i>	Interpretive Signage Project	\$ 38,400		CPA
<i>Non-Governmental Projects</i>	Parker's Revenge Interpretive and Public Education Project	\$ 41,350		CPA
<i>Non-Governmental Projects</i>	Greeley Village Rear Door and Porch Supplemental Request	\$ 56,712		CPA
Total Non-Governmental Projects		\$ 136,462	\$ -	
Total FY2018 Recommendations - All Funds		\$ 23,641,117	\$ 103,501,750	\$ 127,142,867

CAPITAL PLAN BY FINANCING SOURCE

The following pages include tables that show the recommended FY2018 capital projects by financing source:

General fund debt; Water fund debt; Wastewater fund debt; Recreation and Community Programs fund debt; Proposition 2½ excluded debt; 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.

FY2018 RECOMMENDED PROJECTS – GENERAL FUND DEBT (Table I)



Town of Lexington - FY2018 Budget
 FY2018 Recommended Budget: Capital Projects

TABLE I: FY2018 RECOMMENDED PROJECTS - GENERAL FUND DEBT					PROJECTED DEBT SERVICE					
		Amount Financed	Term	Interest Rate	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
MUNICIPAL PROJECTS										
1	Ambulance Replacement	\$ 280,000	5	4.0%		\$ 7,467	\$ 67,200	\$ 64,960	\$ 62,720	\$ 60,480
2	Equipment Replacement (\$1,083,000) ¹	\$ 558,000	5	4.0%		\$ 14,880	\$ 133,920	\$ 129,456	\$ 124,992	\$ 120,528
3	Comprehensive Watershed Stormwater Management Study and Implementation	\$ 390,000	10	4.0%		\$ 10,400	\$ 54,600	\$ 53,040	\$ 51,480	\$ 49,920
4	Sidewalk Improvement	\$ 800,000	5	4.0%		\$ 21,333	\$ 192,000	\$ 185,600	\$ 179,200	\$ 172,800
5	Dam Repair	\$ 760,000	10	4.0%		\$ 20,267	\$ 106,400	\$ 103,360	\$ 100,320	\$ 97,280
6	Townwide Culvert Replacement ¹	\$ 390,000	5	4.0%		\$ 10,400	\$ 93,600	\$ 90,480	\$ 87,360	\$ 84,240
7	Hartwell Avenue Infrastructure Improvements - Supplemental	\$ 2,185,000	20	4.0%		\$ -	\$ 58,267	\$ 137,655	\$ 291,916	\$ 283,613
8	Bikeway Bridge Renovations (\$368,000) ¹	\$ 249,426	5	4.0%		\$ 6,651	\$ 59,862	\$ 57,867	\$ 55,871	\$ 53,876
	Subtotal	\$ 5,612,426				\$ 91,398	\$ 765,849	\$ 822,418	\$ 953,859	\$ 922,737
FACILITIES PROJECTS										
Within-Levy Projects										
1	LHS Air Conditioning - Teacher Planning Offices and Library	\$ 600,000	10	4.0%		\$ 16,000	\$ 84,000	\$ 81,600	\$ 79,200	\$ 76,800
2	LHS Guidance Space Mining	\$ 230,200	10	4.0%		\$ 6,139	\$ 32,228	\$ 31,307	\$ 30,386	\$ 29,466
3	LHS Nurse Office and Treatment Space	\$ 320,100	10	4.0%		\$ 8,536	\$ 44,814	\$ 43,534	\$ 42,253	\$ 40,973
	Subtotal	\$ 1,150,300				\$ 30,675	\$ 161,042	\$ 156,441	\$ 151,840	\$ 147,238
Projects that are potential candidates for debt exclusions										
1	45 Bedford Street Fire Station Replacement - Design ²	\$ 450,000	5	4.0%		\$ 12,000	\$ 108,000	\$ 104,400	\$ 100,800	\$ 97,200
2	Hastings School Renovation/Replacement - Supplemental Design Funds (\$720,000) ²	\$ 540,000	5	4.0%		\$ 14,400	\$ 129,600	\$ 125,280	\$ 120,960	\$ 116,640
3	Fire Department Swing Space, 173 Bedford Street - Design ²	\$ 50,000	5	4.0%		\$ 1,333	\$ 12,000	\$ 11,600	\$ 11,200	\$ 10,800
4	Lexington Children's Place - Design ²	\$ 771,250	5	4.0%		\$ 20,567	\$ 185,100	\$ 178,930	\$ 172,760	\$ 166,590
	Subtotal	\$ 1,811,250				\$ 48,300	\$ 434,700	\$ 420,210	\$ 405,720	\$ 391,230
	Total Facilities Projects	\$ 2,961,550				\$ 78,975	\$ 595,742	\$ 576,651	\$ 557,560	\$ 538,468
SCHOOL PROJECTS										
1	LPS Technology Capital Request	\$ 1,331,900	5	4.0%		\$ 35,517	\$ 319,656	\$ 309,001	\$ 298,346	\$ 287,690
	Subtotal	\$ 1,331,900				\$ 35,517	\$ 319,656	\$ 309,001	\$ 298,346	\$ 287,690
PROJECTS TO BE FUNDED WITH PROPOSED NEW REVENUE										
1	Westview Cemetery Building Design	\$ 270,000	5	4.0%		\$ 7,200	\$ 64,800	\$ 62,640	\$ 60,480	\$ 58,320
2	Street Acceptance	\$ 147,000	10	4.0%		\$ 3,920	\$ 20,580	\$ 19,992	\$ 19,404	\$ 18,816
	Subtotal	\$ 417,000				\$ 11,120	\$ 85,380	\$ 82,632	\$ 79,884	\$ 77,136
	TOTAL PROJECT COSTS	\$ 10,322,876				\$ 217,010	\$ 1,766,627	\$ 1,790,701	\$ 1,889,649	\$ 1,826,032
	(TOTAL PROJECT COSTS NET OF POTENTIAL CANDIDATES FOR DEBT EXCLUSIONS - \$8,511,626)									
AUTHORIZED LEVY SUPPORTED DEBT SERVICE					FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
A	Subtotal - Approved and Issued Levy Supported Debt Service					\$ 6,753,539	\$ 5,747,334	\$ 4,634,028	\$ 3,748,292	\$ 2,597,054
B	Subtotal - Estimated Debt Service - Approved and Unissued Levy Supported Debt Service (short and long-term debt)					\$ 87,554	\$ 1,858,637	\$ 2,178,231	\$ 2,235,721	\$ 2,178,672
C	Summary - Debt Service on authorized debt					\$ 6,841,093	\$ 7,605,971	\$ 6,812,258	\$ 5,984,013	\$ 4,775,726
D	Subtotal - Projected New Levy Supported Net Debt Service					\$ 217,010	\$ 1,766,627	\$ 1,790,701	\$ 1,889,649	\$ 1,826,032
E	Subtotal - Other Debt-related costs					\$ 94,502	\$ 61,491	\$ 65,958	\$ 70,812	\$ 76,088
F	TOTAL - PROJECTED LEVY SUPPORTED DEBT SERVICE					\$ 7,199,028	\$ 7,152,605	\$ 9,434,089	\$ 8,668,918	\$ 7,944,474
G	PROPOSED USE OF STABILIZATION FUNDS TO HOLD DEBT SERVICE INCREASES TO 5% ANNUALLY					\$ (710,000)	\$ (324,500)	\$ (2,785,000)	\$ (2,784,000)	\$ (2,780,000)
H	PROJECTED LEVY SUPPORTED DEBT SERVICE					\$ 6,489,028	\$ 6,828,105	\$ 6,649,089	\$ 5,884,918	\$ 5,164,474
I	PROJECTED NET LEVY SUPPORTED DEBT SERVICE (ex. Projects to be Funded with New Revenue)					\$ 6,489,028	\$ 6,813,571	\$ 6,563,709	\$ 5,802,286	\$ 5,084,590
DRAWDOWN OF CAPITAL STABILIZATION FUND EXCLUDING SHORT AND LONG TERM DEBT SERVICE FOR PELHAM/BEDFORD ACQUISITIONS, LEXINGTON CHILDREN'S PLACE AND HASTING'S DESIGN										
J	TOTAL - PROJECTED LEVY SUPPORTED DEBT SERVICE					\$ 7,199,028	\$ 7,152,605	\$ 9,434,089	\$ 8,668,918	\$ 7,944,474
K	REVISED USE OF STABILIZATION FUNDS TO HOLD IN LEVY DEBT SERVICE INCREASES TO 5% ANNUALLY					\$ (710,000)	\$ (96,500)	\$ (860,000)	\$ (782,000)	\$ (747,000)
L	PROJECTED LEVY SUPPORTED DEBT SERVICE					\$ 6,489,028	\$ 6,891,406	\$ 7,122,589	\$ 6,468,337	\$ 5,811,723
M	PROJECTED NET LEVY SUPPORTED DEBT SERVICE (ex. Projects to be Funded with New Revenue)					\$ 6,489,028	\$ 6,876,872	\$ 7,037,209	\$ 6,385,705	\$ 5,731,839

¹ Projects recommended by the Town Manager to be held in abeyance pending the outcome of a prospective debt exclusion vote(s) in Fall 2017.

² These projects are potential candidates for a Proposition 2 1/2 debt exclusion vote. If excluded from the limits of Proposition 2 1/2, principal and interest on long and short term debt will be funded outside the levy limit along with other projects shown in Table V herein. For the Hastings School Renovation/Replacement - Supplemental Design, the difference between \$720,000 and the amount of \$540,000 shown above represents that amount that will be funded by the Massachusetts School Building Authority. Town Meeting will be asked to authorize the gross amount of \$720,000.

³ FY2018 to FY2022 includes projected financing costs for short and long-term debt for the acquisition of 173 Bedford Street and Pelham Road, Lexington Children's Place design and \$1.5 million for Hastings Design. If a prospective debt exclusion vote is held in the Fall 2017 to include these projects and the projects are approved, debt service will be financed outside the Proposition 2 1/2 levy limit and will reduce the amount of a Capital Stabilization Fund appropriation needed to mitigate increases in within levy debt service.

⁴ FY2018 to FY2022 includes financing costs for short and long-term debt excluding the acquisition of 173 Bedford Street and Pelham Road, Lexington Children's Place design and \$1.5 million for Hastings Design. This assumes a debt exclusion vote in the Fall 2017 passes to include the financing of these projects outside the Proposition 2 1/2 levy limit. This will reduce the Capital Stabilization Fund appropriation needed to mitigate increases in within levy debt service.

Municipal Projects

- 1. Ambulance Replacement – \$280,000 (General Fund Debt):** The Fire Department’s ambulance replacement program attempts to rotate ambulances every three years. The new vehicle runs as the primary ambulance, moves to the secondary position and finally to mechanical back-up status. At the end of the nine-year rotation, the mechanical back-up vehicle has roughly 150,000 miles on it and completes more than 9,000 medical transports. This FY2018 request will fund the purchase of a new ambulance with the mechanical back-up ambulance being traded in.
- 2. Equipment Replacement - \$1,083,000 (\$558,000 General Fund Debt & \$525,000 Compost Revolving Fund Debt):** 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. The FY2018 request, by funding source, is shown in the table below.

Each piece of equipment is inventoried with original and current replacement cost, state of condition and replacement time interval. Replacement intervals vary from five to 25 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 Road Machinery Division, Division Superintendents and reviewed by the Manager of Operations and Director of Public Works.

Equipment	GF Debt	Compost Revolving Fund Debt	Total
Material Screener	\$ -	\$ 525,000	\$ 525,000
Loader Backhoe for Cemetery Operations	\$ 120,000	\$ -	\$ 120,000
2- small deck mowers - Public Grounds Division	\$ 120,000	\$ -	\$ 120,000
1- Holder Tractor with Snow Blower and Articulated Moving Arm - Public Grounds Division	\$ 165,000	\$ -	\$ 165,000
1-Snow Go Snow Blower - Snow Operations	\$ 153,000	\$ -	\$ 153,000
Total	\$ 558,000	\$ 525,000	\$ 1,083,000

- 3. Comprehensive Watershed Storm Water Management Study and Implementation - \$390,000 (General Fund Debt):** 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; in FY2018 it's likely funds will be used to further the Valleyfield area design (within the Clematis Brook area), Whipple Brook and Pleasant Street area construction. Long-term benefits of the program include prevention of property damage, reduction in liability and overall improvement to the health of Lexington's waterways.

- 4. Sidewalk Improvement – \$800,000 (General Fund Debt):** This request seeks funds to rebuild and/or repair existing sidewalks that are in poor condition. DPW (in conjunction with various committees and town departments) generates a list each year of sidewalks most in need of repair/replacement, based on four determining factors:
- 1) Is the sidewalk unsafe for travel due to trip hazards, defects, etc.?
 - 2) Is the sidewalk within the Safe Routes to School Program?
 - 3) Is the volume of pedestrian traffic heavy, light or average?
 - 4) Is the general condition of the sidewalk poor, fair or good which dictates treatments such as full reconstruction, overlay or patching?

DPW successfully completed a sidewalk condition survey in early 2015 with the help of an engineering firm, Fay, Spofford & Thorndike and is currently working from the priority list that was compiled by the report. Sidewalks considered for FY2018 funding include: Emerson Garden-North and South, Hathaway Road – north side, reconstruction of ramps town-wide, Waltham Street from Brookside to Blossomcrest, Massachusetts Ave. from Bow Street to Fottler Street – north and south, Charles Street, Daniels Street and Ariel Street.

The history of prior Sidewalk appropriations is:

FY08	FY09	FY10	FY11	FY12	FY13	FY14 ¹	FY15	FY16	FY17
\$100,000	\$275,000	\$-	\$200,000	\$200,000	\$300,000	\$400,000	\$400,000	\$600,000	\$600,000

¹ Does not include \$200,000 of a \$600,000 appropriation that was designated for the construction of a Hartwell Avenue mixed use path.

- 5. Dam Repair – \$760,000 (General Fund Debt):** FY2018 funds are requested for repairs and improvements to the Old Reservoir Dam based on inspection reports performed by the Office of Dam Safety. \$150,000 was approved by the 2014 Annual Town Meeting for design and engineering services for the repairs; the design report has been completed. CPA funds were also appropriated in previous funding cycles for reconstruction of the gatehouse and dredging of the retention pond (FY2009) and storm water mitigation and retention pond improvements (FY2010).

The total cost for design and construction services in FY2018 is noticeably higher than standard civil design and construction projects due to the complex design of earth dams. This project will also require a fair amount of environmental permitting through the Office of Dam safety. Full-time construction oversight by a geotechnical engineer is anticipated in addition to periodic monitoring for three years after the completion of the project. The goal of this project is to maintain the dam's structural integrity and ensure its long-term stability.

- 6. Townwide Culvert Replacement – \$390,000 (General Fund Debt):** This request is part of an ongoing program to replace culverts that are at or near failure. Of the funding requested, \$250,000 is estimated for construction costs necessary for culvert replacement, \$65,000 is for design, permitting and bidding and the remainder is for contingency. On-going culvert inspections continue to reveal a need for the replacement program as many older culverts are failing. This program is a companion effort with the ongoing Watershed Management Plan. It's anticipated that this and future appropriations will fund further design and construction for Valleyfield and Waltham Streets at the Clematis Brook (where early design evaluation is already underway) and for the culvert at Curve Street. These locations have been identified in the Charles, Shawsheen and Mystic Rivers Watershed Management Plans. Culverts at Revere Street at North Lexington Brook, the Minuteman Bikeway near Camelia Place and Concord Ave at Hardy's Brook have all been constructed. Proactive replacement of townwide culverts prior to failure will allow for proper design considerations and funding while also minimizing the impact to residents through unexpected road closures and flooding.
- 7. Hartwell Avenue Infrastructure Improvements – Supplemental – \$2,185,000 (General Fund Debt):** This FY2018 request represents an estimate of anticipated supplemental funds needed for improvements to Hartwell Avenue. Proposed funding will be used to replace or rehabilitate the Hartwell Ave Bridge crossing at Kiln Brook, upgrade the Maguire Road intersection and potentially provide a protected pedestrian crossing at the Bedford Street intersection. The proposed conceptual improvements were developed as part of the Transportation Management Plan for the Hartwell Ave area (developed by the Planning Board with assistance from TetraTech Rizzo Transportation Consultants) but does not include funding for improvements to Bedford Street. The FY2018 request will fund construction, construction oversight and potential land acquisitions (easements, land takings, etc.).

The FY2018 estimate is highly variable due to anticipated difficulties with relocating the large amount of utilities attached to the existing bridge. The request of \$2.185 million is seen as the upper limit of funding needed but will be refined as the design phase moves forward. For example, there are also wetlands impacting the design and discussions between the design team and the Conservation Commission are expected to help determine the feasibility of the proposed plan options. Estimates for these refinements will be better defined as the design phase moves forward. Due to these complications, a revised construction schedule is being prepared and more precise cost estimates are expected as alternatives are reviewed and the possibility of phasing is explored.

- 8. Bikeway Bridge Renovations – \$368,000 (\$249,426 General Fund Debt & \$118,574 Free Cash):** The Grant Street Bridge along the Minuteman Bikeway is showing signs of deterioration and the Engineering Division has received an evaluation from a structural engineer. Costs for rehabilitation and maintenance are high due to existing lead paint on the bridge. This adds substantial cost to the project since full containment and proper disposal of the lead paint is required as part of its removal. This work is essential to keeping a safe pathways for all users.

Facilities Projects

A. Within-Levy Projects

- 1. Lexington High School (LHS) Air Conditioning – Teacher Planning Offices and Library – \$600,000 (General Fund Debt):** 2016 Annual Town Meeting, Article 15C, funded \$500,000 to produce design development and construction documents to replace HVAC equipment that has operated beyond its useful life and to improve the educational environment of Lexington High School's main building. After completing design development, the construction estimate increased from \$12 million to over \$18 million.

With a major project at LHS likely in the next five years, to be initiated by the submittal of a Statement of Interest to the Massachusetts School Building Authority, the School Committee has voted to defer the major HVAC Upgrade. As an interim measure, the School Committee is requesting funding for teacher planning offices and the library. Adding air-conditioning to these spaces will provide areas for staff and students to work with temperature control. The last several years has seen an increase in temperatures during the spring and fall of the school year. The funds requested will cover the cost of installation.

- 2. Lexington High School (LHS) Guidance Space Mining – \$230,200 (General Fund Debt):** The 2016 Annual Town Meeting appropriated funds for the design and engineering portion of the proposed project, which seeks to make more efficient use of existing guidance space at the high school by mining the existing counselor suites in the Math Building and the World Language Building. The high school has an existing student support model that clusters each Dean/Counselor team in a specific location on campus. The cluster model provides a 'home base' for students and student teams, organized by homeroom location. Construction documents were developed with the FY2017 appropriation and this FY2018 request is for the construction phase of the project. The goal of the project is to create a calming, private space for counselors to meet with students and maintain the student support cluster model by keeping Deans and student counselors in proximity to one another. The construction phase of the project is expected to go out for bid in spring 2017 with construction completed during the summer of 2017.
- 3. Lexington High School (LHS) Nurse Office and Treatment Space – \$320,100 (General Fund Debt):** An appropriation made by the 2016 Annual Town Meeting funded construction documents for the expansion and reconfiguration of the existing high school Health Office space. If approved, the FY2018 appropriation would fund the construction phase of the project. Higher enrollment and special programming have caused student health care needs to increase and the current facility lacks the capability to meet such demand. The expanded space would be able to accommodate more treatment/rest beds and provide more confidential examination spaces. It's expected that the project would go out for bid in spring 2017 with construction completed by the start of the 2017-2018 school year.

B. Projects That Are Potential Candidates for Debt Exclusions

The following projects are candidates for consideration for funding outside the limits of Proposition 2½ subject to successful debt exclusion votes. Nonetheless, they are included in Table 1 in the event that such debt exclusion votes are not successful in which case the debt service for these projects will need to be funded with the levy limit.

- 1. 45 Bedford Street Fire Station Replacement Design – \$450,000 (General Fund Debt):** The Town has acquired 173 Bedford Street, a commercial property previously owned by Liberty Mutual, to use as a Fire Department swing space while the existing facility at 45 Bedford Street is rebuilt and upgraded to meet modern standards. The proposed sequence will be to renovate the 173 Bedford Street facility for Fire Department staff use and add a temporary heated structure for apparatus during the approximate 18 month construction period.

2016 Special Town Meeting #5 appropriated \$85,000 to evaluate requirements for facility renovation and identify traffic control requirements to operate from 173 Bedford Street. The evaluation is expected to be complete in advance of the 2017 Annual Town Meeting. The cost to implement the plan is anticipated to be approximately \$2,093,000 which will be requested under separate FY2018 capital requests.

Funds to progress the new 45 Bedford Street Fire Station Design through design development will be requested at 2017 Annual Town Meeting in the amount of \$450,000. Subsequent funding of construction documents (\$550,000) and remaining estimated project costs including construction (\$17,800,000) will likely be requested at a special town meeting in the fall of 2017.

- 2. Hastings School Renovation/Replacement Design – \$720,000 Gross Appropriation/ \$540,000 net of MSBA reimbursement (General Fund Debt):** In January 2016, Lexington was informed that the Hastings Elementary School was selected by the Massachusetts School Building Authority (MSBA) program for renovation or replacement. At the 2016 Special Town Meeting #1, \$1,500,000 was appropriated to fund a feasibility study, expected to be completed in September 2017, which will provide a Project Scope and Budget Agreement (PSBA). The PSBA will outline the scope of the building project in order to implement the most cost effective solution for the Hastings educational program, the budget to implement the building project and the maximum MSBA reimbursement.

The next step in the MSBA process is for Lexington to provide funding for the project as identified in the PSBA. This amount is anticipated to be \$60 million (including the \$1.5 million previously appropriated for the feasibility study). The Town has 120 days to secure funding after the MSBA approves the budget. To ensure that the project design can continue while the Town is securing funds, an appropriation of \$720,000 for design development is being requested at 2017 Annual Town Meeting. It is anticipated that construction financing in the current estimated amount of \$57,780,000 will be requested at a Fall 2017 special town meeting. (The amounts shown in Tables I and V are net of estimated MSBA reimbursement of 25%.)

- 3. Fire Department Swing Space Design, 173 Bedford Street – \$50,000 (General Fund Debt):** 2016 Special Town Meeting #5 appropriated funds for the acquisition of 173 Bedford Street and the evaluation of both the facility and traffic control requirements to enable the Fire Department to operate from this location while the 45 Bedford Street station is rebuilt. The anticipated costs for facility and traffic control requirements will be approximately \$2,043,000.

\$50,000 for design funds is being requested at 2017 Annual Town Meeting to progress the swing space design through design development. It is anticipated that an appropriation for construction documents and construction funds will be requested at a special town meeting in the fall of 2017 so that swing space can be available in the spring of 2018.

- 4. Lexington Children’s Place Design– \$771,250 (General Fund Debt):** Lexington Children’s Place (LCP), the pre-kindergarten program for Lexington Public Schools, has outgrown its original location in the Harrington School. A 2015 study determined that the program requires between 11,500 and 13,500 square feet of net program space; the current space provides only 5,446 square feet. LCP also utilizes 4,000 square feet of space in the Old Harrington School Building but results in the program operating in two separate buildings on one campus. The School Committee has identified the property at 20 Pelham Road as the preferred location for LCP. The goal for LCP is to provide adequate program space at one location in order for the program to be as efficient as possible while meeting the educational needs of students. The FY2018 request would fund design and construction documents to meet this goal. It is expected that construction funds will be requested at a subsequent Town Meeting.

School Projects

- 1. LPS Technology Capital Request – \$1,331,900 (General Fund Debt):** This request addresses the District’s strategic goal for enhancing the capacity to utilize technology as an instructional and administrative tool.

This capital improvement project would provide funding for the following:

Tech Workstations (Desktops, Laptops, Mobile Devices) – \$426,500 is requested for the replacement of aging computers with up-to-date devices which are more cost-effective and better able to meet the needs of learning and teaching. New devices will be selected based on their ability to provide sufficient capacity for continued use over a five to six year life cycle. It’s the intent to diversify the device inventory to leverage lower cost devices to fit instructional needs.

Enrollment Increases – \$23,500 will be used to fund the purchase of new iPads for the middle schools due to increased enrollment.

Mobile Tech Initiative in Elementary Schools – \$142,000 will be used to purchase technology in order to comply with mandated online testing and the recent adoption of new state learning standards which have accelerated the need for more students in the district to have access to a digital learning device while at school. These funds will be used to replace outmoded teacher devices and desktop computers with Chromebooks, fund the purchase of iPads for new 7th and 8th grade students participating in an iPad program and provide iPads for a large 7th grade class anticipated to enter in FY2018.

Initiative to Increase Student Access to Digital Devices in Lexington High School – \$165,400 is requested to increase high school students' daily access to digital devices in order to reduce classroom disruption and the loss of instruction time. The majority of the new devices will be Chromebooks which are ideal for most students. MacBooks and iPad Pros will be purchased for classes that require specialized software and iPad pros will be purchased for visual arts classes.

MakerSpace/ Digital Fabrication Initiative – \$33,000 is requested for MakerSpace and Digital Fabrication equipment which will provide students with the opportunity for hands-on STEAM (Science, Technology, Engineering, Arts, Math) learning and encourage the design, engineering, fabrication and redesign of useful objects. School-based access to these 21st century tools allow students in all grades to benefit from learning experiences aligned with newly adopted state learning standards. FY2018 funds will be utilized for the purchase of five 3-D printers and Arduino microcontrollers for three classrooms per school.

Interactive Projector/ Whiteboard Units – \$120,000 is requested for the replacement of dated interactive projection systems and the installation of ceiling projection systems where units have come to the end of their life cycle. Many K-2 classrooms currently do not have interactive projection systems but many teachers have expressed interest in having them in their classrooms.

Upgrade District and Building Network Infrastructure – \$259,000 is requested for head end upgrades to the school network, AP upgrades, Switch/LAN upgrades to support new mobile initiatives and a wireless controller ICE for Lexington High School which will increase network resilience and Wi-Fi coverage. The upgrades are necessary to support state mandated online testing, rich media digital learning experiences in schools and the growth of digital devices used by students, teachers and administrators.

Server/Storage Infrastructure – \$30,000 is requested for the purchase of servers for each school to serve up cached software for next generation MCAS testing and to increase the server capacity to support a growing tech infrastructure.

Power – \$85,000 is requested to connect the existing data cabinets to the existing circuits currently located on the emergency generators in order to prevent the loss of phone access when power is out.

Independent Digital Learning Center Equipment – \$47,500 is requested for equipment to support the learning needs of all Lexington High School students in the newly established Independent Digital Learning Center. Technology equipment includes the purchase of 15 MacBooks, 15 iPads, 60 Chromebooks and three carts.

Projects to be Funded with New Revenue

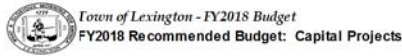
1. Westview Cemetery Building Design – \$270,000 (General Fund Debt with debt service funded from Sale of Cemetery Lots Special Revenue Fund):

FY2018 funds are requested to hire an architect to design and engineer the building on the Westview Cemetery grounds. The current building serves as the cemetery office, meeting area for grieving families and work space for maintenance staff. An FY2016 appropriation funded an assessment of the current building and operation to determine if the existing building could be renovated or if a new building was required. TBA Architects is preparing the assessment report which will be used to determine the project scope and cost. A burial services area will also be researched as part of this process.

The only significant upgrade to the building in the last 15 years has been the installation of a new roof. The current facility has deteriorated and needs to be brought up to code. Limited space does not permit private space for grieving families and the maintenance area lacks adequate space for all equipment to be stored indoors. The renovation or expansion of the building will enhance the cemetery operation by providing a welcoming and private space for families and visitors and provide staff with more efficient and adequate office space, storage space and maintenance space. It is expected that construction funding will be requested in FY2019.

- 2. Street Acceptance – \$147,000 (General Fund Debt/Street Betterment):** The FY2018 request seeks to fund the acceptance of Harbell Avenue as a town roadway under the betterment process. This entails survey, road design and reconstruction in addition to the legal steps for acceptance (including Town Meeting approval), road lay-out by the Board of Selectmen and recording at the Registry of Deeds. The addition of this roadway to the Town's inventory will result in a small increase to yearly Chapter 90 funding received by the Town. The Town currently performs minor maintenance on the road to ensure that properties are accessible for emergency vehicles and plowing equipment. The accepted roadway would provide residents with improved emergency services and snow removal. The cost of this work will be recouped through betterment charges assessed to the abutting properties.

FY2018 RECOMMENDED PROJECTS – WATER FUND DEBT (Table II)

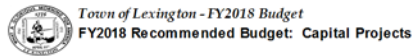


Project	Amount Financed	Term	Interest Rate	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
1 None Proposed	\$ -	---	---		\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -				\$ -	\$ -	\$ -	\$ -	\$ -

AUTHORIZED WATER DEBT SERVICE		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
A	Subtotal: Authorized and issued Water Debt Service	\$	1,465,510	\$ 1,363,172	\$ 1,130,312	\$ 1,086,350	\$ 773,546
B	Subtotal: Approved and Unissued Water Debt Service (short and long-term)	\$	918	\$ 4,820	\$ 4,682	\$ 4,544	\$ 4,407
C	Summary: Debt Service on Authorized Debt	\$	1,466,428	\$ 1,367,991	\$ 1,134,994	\$ 1,090,894	\$ 777,952
D	Subtotal: Projected Debt Service on Proposed Capital Projects	\$	-	\$ -	\$ -	\$ -	\$ -
E	Subtotal: Other Debt-related costs	\$	-	\$ -	\$ -	\$ -	\$ -
F	TOTAL PROJECTED WATER DEBT SERVICE	\$	1,408,576	\$ 1,466,428	\$ 1,367,991	\$ 1,134,994	\$ 1,090,894

No recommendations for debt financing.

FY2018 RECOMMENDED PROJECTS – WASTEWATER FUND DEBT (Table III)




Project	Amount Financed	Term	Interest Rate	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
1 Pump Station Upgrades (\$800,000)	\$ 530,000	10	4.0%		\$ 10,600	\$ 74,200	\$ 72,080	\$ 69,960	\$ 67,840
TOTAL	530,000				\$ 10,600	\$ 74,200	\$ 72,080	\$ 69,960	\$ 67,840

AUTHORIZED SEWER DEBT SERV.		FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
A	Subtotal: Authorized and Issued Sewer Debt Service	\$	1,022,513	\$ 973,465	\$ 824,919	\$ 785,226	\$ 743,964
B	Subtotal: Approved and Unissued Sewer Debt Service (short and long-term)	\$	25,897	\$ 135,960	\$ 230,075	\$ 223,391	\$ 216,706
C	Summary: Debt Service on Authorized Debt	\$	1,048,411	\$ 1,109,425	\$ 1,054,995	\$ 1,008,617	\$ 960,670
D	Subtotal: Projected Debt Service on Proposed Capital Projects	\$	10,600	\$ 74,200	\$ 72,080	\$ 69,960	\$ 67,840
E	Subtotal - Other Debt-related costs	\$	4,339	\$ -	\$ -	\$ -	\$ -
F	TOTAL PROJECTED SEWER DEBT SERVICE	\$	981,220	\$ 1,063,349	\$ 1,183,625	\$ 1,127,075	\$ 1,078,577

- 1. Pump Station Upgrades – \$800,000 (\$530,000 Wastewater Debt and \$270,000 Wastewater Retained Earnings):** 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. FY2017 funding was expected to be used for a full replacement of the Marshall Road Pump Station but a subsequent determination instead noted an urgent need for funds to be applied towards the Worthen Road Pump Station. (Stations are constantly monitored and the schedule adjusted to meet urgent needs.) FY2018 funds are now expected to be utilized for the Marshall Road Pump Station. The goal of this program is to upgrade all the pumps and support systems to enable better energy efficiency and avoid emergency expenditures.

FY2018 RECOMMENDED PROJECTS – RECREATION FUND DEBT (Table IV)

 Town of Lexington - FY2018 Budget FY2018 Recommended Budget: Capital Projects										
TABLE IV: FY2018 RECOMMENDED PROJECTS - RECREATION and COMMUNITY PROGRAMS DEBT										
Project	Amount Financed	Term	Interest Rate	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
				None Proposed	\$ -	---	---		\$ -	\$ -
TOTAL	\$ -				\$ -	\$ -	\$ -	\$ -	\$ -	
AUTHORIZED REVENUE SUPPORTED DEBT SERV.				FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
A	Subtotal	Approved and Issued Revenue Supported Debt Service ¹				\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
B	Subtotal	Approved and Unissued Revenue Supported Debt Service				\$ -	\$ -	\$ -	\$ -	\$ -
C	Summary Approved Revenue Supported Debt Service					\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -
D	Subtotal	Projected Debt Service on Proposed Capital Projects				\$ -	\$ -	\$ -	\$ -	\$ -
E	Other Debt-related costs				\$ -	\$ -	\$ -	\$ -	\$ -	
F	TOTAL PROJECTED DEBT SERVICE				\$ 100,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -

¹ \$100,000 is an offset to the exempt debt service for bonds issued pursuant to a 2002 authorization for the reconstruction of the Lincoln Park athletic field and parking lot. The source of the offset is the Recreation and Community Programs Enterprise Fund

No recommendations for debt financing.

FY2018 RECOMMENDED PROJECTS – FUNDING THROUGH PROPOSITION 2½ DEBT EXCLUSION (Table V)


Town of Lexington - FY2018 Budget FY2018 Recommended Budget: Capital Projects										
TABLE V: FY2018 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2 1/2 DEBT EXCLUSION										
Project		Amount Financed	Term	Interest Rate	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Projects for Consideration - 2017 Annual and Special Town Meetings (Spring and Fall)										
2017 Annual Town Meeting										
1	45 Bedford Street Fire Station Replacement - Design	\$ 450,000	30	4.0%		\$ 12,000	\$ 33,517	\$ 32,897	\$ 32,276	\$ 31,655
2	Hastings School Renovation/Replacement - Supplemental Design Funds (net of MSBA reimbursement) (\$720,000)	\$ 540,000	30	4.0%		\$ 14,400	\$ 40,221	\$ 39,478	\$ 38,731	\$ 37,986
3	Fire Department Swing Space, 173 Bedford Street - Design	\$ 50,000	30	4.0%		\$ 1,333	\$ 3,724	\$ 3,655	\$ 3,586	\$ 3,517
4	Lexington Children's Place - Design	\$ 771,250	30	4.0%		\$ 20,567	\$ 56,558	\$ 55,530	\$ 54,502	\$ 53,473
Fall 2017 Special Town Meeting										
5	45 Bedford Street Fire Station Replacement - Design and Construction (\$18,800,000)	\$ 18,350,000	30	4.0%		\$ -	\$ 512,687	\$ 1,365,517	\$ 1,340,230	\$ 1,314,943
6	Hastings School Renovation/Replacement (net of projected MSBA reimbursement) (\$57,780,000)	\$ 44,610,000	30	4.0%		\$ -	\$ 284,400	\$ 1,848,359	\$ 3,266,004	\$ 3,205,523
7	Fire Department Swing Space, 173 Bedford Street - Construction	\$ 2,043,000	30	4.0%		\$ -	\$ 149,820	\$ 147,096	\$ 144,372	\$ 141,648
8	Lexington Children's Place/Community Space - Construction	\$ 23,628,750	30	4.0%			\$ 630,100	\$ 1,732,775	\$ 1,701,270	\$ 1,669,765
PROJ. NEW EXCLUDED DEBT SERVICE		\$ 90,443,000				\$ 48,300	\$ 1,711,007	\$ 5,225,304	\$ 6,580,971	\$ 6,458,510
Projected Debt Service - Potential Future Projects										
1	Police Station - Design (2018 ATM)	\$ 1,000,000	30	4%		\$ -	\$ -	\$ 73,333	\$ 72,000	\$ 70,667
2	Police Station - Construction (2019 ATM)	\$ 18,800,000	30	4%		\$ -	\$ -	\$ -	\$ 1,334,667	\$ 1,310,400
						\$ -	\$ -	\$ 73,333	\$ 1,406,667	\$ 1,381,067
APPROVED AND PROPOSED EXCLUDED DEBT SERVICE					FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Subtotal Approved and Issued Excluded Debt Service						\$ 10,620,911	\$ 10,218,521	\$ 9,894,335	\$ 9,155,955	\$ 8,808,256
Subtotal Approved and Unissued Excluded Debt Service ¹						\$ 554,170	\$ 2,548,283	\$ 3,654,999	\$ 3,292,375	\$ 3,229,209
TOTAL Approved Excluded Debt Service						\$ 11,175,080	\$ 12,766,804	\$ 13,549,334	\$ 12,448,330	\$ 12,037,464
Subtotal Projects for Consideration - 2017 Annual and Special Town Meetings (Spring and Fall)						\$ 48,300	\$ 1,711,007	\$ 5,225,304	\$ 6,580,971	\$ 6,458,510
Subtotal Projected Debt Service - Potential Future Projects						\$ -	\$ -	\$ 73,333	\$ 1,406,667	\$ 1,381,067
Subtotal Other Debt Related Costs						\$ 434,257	\$ 685,798	\$ 148,983	\$ -	\$ -
TOTAL APPROVED AND PROPOSED EXCLUDED DEBT SERVICE						\$ 8,330,185	\$ 11,657,637	\$ 15,163,610	\$ 18,996,954	\$ 20,435,967
Less: use of Capital Stabilization Funds to Mitigate Debt Service Impacts on Property Tax Bills						\$ -	\$ (2,400,000)	\$ (5,000,000)	\$ (6,800,000)	\$ (4,000,000)
Net Debt Service						\$ 8,330,185	\$ 9,257,637	\$ 10,163,610	\$ 12,196,954	\$ 14,435,967

¹ Includes projected debt service on short and long term debt service for the acquisition of 173 Bedford Street and 20 Pelham Road and design funding for the Hastings Elementary School on the assumption that these projects will be excluded from the limits of Proposition 2 1/2 at a Fall 2017 debt exclusion referendum.

1. **45 Bedford Street Fire Station Replacement Design – \$450,000 (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.
2. **Hastings School Renovation/Replacement Design – \$540,000, net of MSBA reimbursement (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.
3. **Fire Department Swing Space Design, 173 Bedford Street – \$50,000 (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.
4. **Lexington Children’s Place Design – \$771,250 (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.
5. **45 Bedford Street Fire Station Replacement Design and Construction – \$18,350,000 (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.


6. **Hastings School Renovation/Replacement – \$44,610,000 net of MSBA reimbursement (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.
7. **Fire Department Swing Space Construction, 173 Bedford Street – \$2,043,000 (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.
8. **Lexington Children’s Place/ Community Space Construction – \$23,628,750 (Candidate for Debt Exclusion Vote):** See detailed description under Table I – General Fund Debt.

FY2018 RECOMMENDED PROJECTS – Community Preservation Act Debt (Table VI)

 Town of Lexington - FY2018 Budget FY2018 Recommended Budget: Capital Projects										
TABLE VI: FY2018 RECOMMENDED PROJECTS - COMMUNITY PRESERVATION ACT DEBT										
Project	Amount Financed	Term	Interest Rate	Interest						
				FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
None	\$ -	---	---			\$ -	\$ -	\$ -	\$ -	
TOTAL	\$ -				\$ -	\$ -	\$ -	\$ -	\$ -	
AUTHORIZED REVENUE SUPPORTED DEBT SERV.				FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	
A	Subtotal	Approved and Issued Revenue Supported Debt Service			\$ 2,256,200	\$ 2,173,050	\$ 2,095,100	\$ 2,017,150	\$ 1,949,550	
B	Subtotal	Approved and Unissued Revenue Supported Debt Service			\$ 134,798	\$ -	\$ -	\$ -	\$ -	
C	Summary Approved Revenue Supported Debt Service				\$ 2,390,998	\$ 2,173,050	\$ 2,095,100	\$ 2,017,150	\$ 1,949,550	
D	Subtotal	Projected Debt Service on Proposed Capital Projects			\$ -	\$ -	\$ -	\$ -	\$ -	
E			Other Debt-related costs		\$ -	\$ -	\$ -	\$ -	\$ -	
F	TOTAL PROJECTED DEBT SERVICE				\$ 3,289,721	\$ 2,390,998	\$ 2,173,050	\$ 2,095,100	\$ 2,017,150	\$ 1,949,550

No recommendations for debt financing.

FY2018 RECOMMENDED PROJECTS – Compost Revolving Fund (Table VII)

 Town of Lexington - FY2018 Budget FY2018 Recommended Budget: Capital Projects										
TABLE VII: FY2018 RECOMMENDED PROJECTS - Compost Revolving Fund										
	Project	Amount Financed	Term	Interest Rate	Debt Service					
					FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
1	Equipment Replacement - Material Screener	\$ 525,000	10	4.0%		\$ 10,500	\$ 73,500	\$ 71,400	\$ 69,300	\$ 67,200
2	Hartwell Avenue Compost Site Improvements	\$ 200,000	10	4.0%		\$ 4,000	\$ 28,000	\$ 27,200	\$ 26,400	\$ 25,600
	TOTAL	\$ 725,000				\$ 14,500	\$101,500	\$ 98,600	\$ 95,700	\$ 92,800
AUTHORIZED REVENUE SUPPORTED DEBT SERV.					FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
A	Subtotal Approved and Issued Revenue Supported Debt Service					\$ 142,246	\$ 138,609	\$ 129,489	\$ 120,469	\$ 80,413
B	Subtotal Approved and Unissued Revenue Supported Debt Service					\$ -	\$ -	\$ -	\$ -	\$ -
C	Summary Approved Revenue Supported Debt Service					\$ 142,246	\$ 138,609	\$ 129,489	\$ 120,469	\$ 80,413
D	Subtotal Projected Debt Service on Proposed Capital Projects					\$ 14,500	\$ 101,500	\$ 98,600	\$ 95,700	\$ 92,800
E	Other Debt-related costs					\$ 5,935	\$ -	\$ -	\$ -	\$ -
F	TOTAL PROJECTED DEBT SERVICE					\$ -	\$ 162,681	\$ 240,109	\$ 228,089	\$ 216,169

- 1. Equipment Replacement – Material Screener (\$525,000 Compost Revolving Fund Debt):** This a component of the \$1,083,000 DPW Equipment Replacement Request described in under Table I – General Fund Debt. The current composting operation at the landfill site on Hartwell operation involves the hiring of a contractor on an annual basis to screen compost and loam at cost of approximately \$30,000 per year. Scheduling of this work is subject to the availability of the contractor which is often not at a time that is most efficient and effective for the operation of the compost site. In addition, in recent years, DPW has rented a screener for a month annually at a cost of \$20,000 per month in order to ensure that material on site is managed efficiently and effectively; but this has negative impacts on other DPW operations due to the need to re-allocate staff to move material to the rented screener and to run it. The purchase of a screener will allow DPW to screen compost, loam and other materials at optimal times resulting in efficiencies, and the shedding of annual operating costs (contract screening and screener rental). The screener requested will also do a better job of removing plastics, wood and other undesirable materials, increasing the product quality. Timeliness of screening various materials will be critical as we move forward with a reduced site for storage.
- 2. Hartwell Ave Compost Site Improvements – \$200,000 (Compost Revolving Fund Debt):** This request would fund the installation of a new prefab trailer with utilities to serve as administrative office space at the Hartwell Ave Compost Site. The trailer would provide adequate space for computers, meetings, filing and educational opportunities while ensuring a safer and more efficient administrative office.

FY2018 RECOMMENDED PROJECTS – CASH CAPITAL (Table VIII)


 *Town of Lexington - FY2018 Budget*
FY2018 Recommended Budget: Capital Projects

TABLE VIII: FY2018 RECOMMENDED FUNDING FROM REVENUES (Cash by Source)										
	PROJECT	Free Cash	Tax Levy	Water Retained Earnings	Wastewater Retained Earnings	Recreation Retained Earnings	CPA ¹	Other Funding	TOTAL COST	Other ²
SCHOOL PROJECTS										
1	Food Service Equipment								\$ -	\$ 75,000
2	School Furniture, Equipment & Systems Program	\$ 123,000							\$ 123,000	
SUBTOTAL		\$ 123,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,000	\$ 75,000
FACILITIES										
1	School Building Envelopes and Systems Program	\$ 222,200							\$ 222,200	
2	Municipal Building Envelopes and Systems		\$ 194,713						\$ 194,713	
3	Building Flooring Program	\$ 150,000							\$ 150,000	
4	School Paving Program	\$ 172,226							\$ 172,226	
5	Public Facilities Bid Documents	\$ 100,000						\$ 59,459	\$ 159,459	
6	School Traffic Safety Improvements	\$ 45,000							\$ 45,000	
7	LHS Security Evaluation and Upgrade	\$ 150,000							\$ 150,000	
8	Public Facilities Mechanical/Electrical System Replacement	\$ 489,000							\$ 489,000	
9	Parking Lot for Community Center	\$ 425,000							\$ 425,000	
10	Munroe School Window Restoration						\$ 620,000		\$ 620,000	
SUBTOTAL		\$ 1,753,426	\$ 194,713	\$ -	\$ -	\$ -	\$ 620,000	\$ 59,459	\$ 2,627,598	\$ -
MUNICIPAL PROJECTS										
11	Replace Townwide Phone Systems-Phase VI	\$ 120,000							\$ 120,000	
12	Municipal Technology Improvement Program	\$ 100,000							\$ 100,000	
13	Network Redundancy & Improvement Plan	\$ 130,000							\$ 130,000	
14	Cotton Farm Conservation Area Improvements						\$ 301,300		\$ 301,300	
15	Willard's Woods and Wright Farm Meadow Preservation						\$ 40,480		\$ 40,480	
16	Wright Farm Supplemental Funds						\$ 37,900		\$ 37,900	
17	Stone Building Analysis						\$ 25,000		\$ 25,000	
18	Bedford St. at Eldred St. Safety Improvements	\$ 175,000							\$ 175,000	
19	Affordable Units Preservation - Pine Grove/Judges Road						TBD		TBD	
20	Transportation Mitigation (TSG)	\$ 100,000							\$ 100,000	
21	Hill Street New Sidewalk Project - Design	\$ 150,000							\$ 150,000	
22	Automatic Meter Reading System			\$ 20,000	\$ 20,000				\$ 40,000	
23	Street Improvements ³		\$ 2,542,927						\$ 2,542,927	\$ 971,016
24	Storm Drainage Improvements and NPDES compliance	\$ 340,000							\$ 340,000	
25	Sanitary Sewer System Investigation and Improvements				\$ 1,000,000				\$ 1,000,000	
26	Hydrant Replacement Program	\$ 75,000		\$ 75,000					\$ 150,000	
27	Pump Station Upgrades (\$800,000)				\$ 270,000				\$ 270,000	
28	Water Distribution System Improvements			\$ 1,000,000					\$ 1,000,000	
29	Townwide Signalization Improvements	\$ 125,000							\$ 125,000	
30	Community Center Sidewalk						\$ 220,000		\$ 220,000	
31	Westview Cemetery Irrigation							\$ 35,000	\$ 35,000	
32	Highway Sign Machine	\$ 40,000							\$ 40,000	
33	Park and Playground Improvements						\$ 60,000		\$ 60,000	
34	Town Pool Renovation						\$ 1,620,000		\$ 1,620,000	
35	Park Improvements - Athletic Fields						\$ 125,000		\$ 125,000	
36	Pine Meadows Equipment						\$ 55,000		\$ 55,000	
37	Bikeway Bridge Renovations	\$ 118,574							\$ 118,574	
SUBTOTAL		\$ 1,473,574	\$ 2,542,927	\$ 1,095,000	\$ 1,290,000	\$ 55,000	\$ 2,429,680	\$ 35,000	\$ 8,921,181	\$ 971,016
OTHER CPA FUNDED PROJECTS										
1	Interpretive Signage Project						\$ 38,400		\$ 38,400	
2	Parker's Revenge Interpretive and Public Education Project						\$ 41,350		\$ 41,350	
3	Greeley Village Rear Door and Porch Supplemental Request						\$ 56,712		\$ 56,712	
SUBTOTAL		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136,462	\$ -	\$ 136,462	\$ -
TOTAL		\$ 3,350,000	\$ 2,737,640	\$ 1,095,000	\$ 1,290,000	\$ 55,000	\$ 3,186,142	\$ 94,459	\$ 11,808,241	\$ 1,046,016

¹ CPA totals do not include proposed FY2018 administrative budget of \$150,000, and \$2,390,998 million for debt service.
² Other includes \$75,000 from the School's Food Service Revolving Fund for food service equipment and \$971,016 in Chapter 90 Aid for street improvements.
³ Proposed funding for the annual street resurfacing program is comprised of \$2,542,927 of tax levy dollars of which \$655,654 derives from a 2001 operating budget override, and an anticipated distribution of \$971,016 of Chapter 90 funds. Over and above the 2001 override, additional amounts are recommended based on the following: the continued funding of \$281,234 of tax levy support that was initiated in FY2012 and maintained in FY2013; the continued funding of \$164,850 of tax levy support that was initiated in FY2013; \$1.1 million derived from health insurance savings, which reflects an increase from the \$850,000 allocated in FY2014 for street improvements, and \$341,189 from FY2017 estimated tax levy revenue to provide a level of funding estimated to move the Town toward a targeted pavement condition index (PCI) of 85.

School Projects

- 1. Food Service Equipment - \$75,000 (Food Service Revolving Fund):** This FY2018 request will fund the replacement or repair of existing kitchen equipment for the Lexington Food Service Program. Some school kitchens currently function with residential-grade equipment and commercial equipment operating at the end of its useful life. The Food Service program is currently able to support approximately \$75,000 for such repairs and replacements. The program provides nutritionally balanced, low-cost or free lunches to students and employees on a daily basis. This funding request will ensure the successful operation of the school lunch program by preventing equipment failures and the utilization of temporary and expensive satellite operations. The Food Service Revolving Fund does not require a vote of Town Meeting for appropriation.
- 2. School Furniture, Equipment & Systems Program – \$123,000 (Free Cash):** The School Department submits annual requests for replacement of classroom and office furniture that has reached the end of its useful life. Enrollment is also projected to increase over the next five years, triggering the need for additional furniture for staff and students.

The FY2018 Furniture, Equipment and Systems Program includes requests for:

Cafeteria Tables (18) – Clarke & Harrington
Student Desks (50) & Chairs (134) – Clarke, Diamond, Harrington, LHS
Standing Student Desks (60) – Clarke
Classroom Tables (11) – Diamond & Harrington
Teacher Desks (12) & Chairs (10) – Estabrook & LHS
Specialty Desks (5) – ADA Compliant and Therapeutic Learning Desks
Cabinets (4) – Estabrook & Diamond
Whiteboards/Bulletin Boards (35) – Clarke, Estabrook, Diamond
Teacher Refrigerator Replacement (1)
Classroom FM Soundfield Systems
Visual Art Lab Tables & Computer Tables
Furniture Moving & Disposal

Department of Public Facilities Projects

- 1. School Building Envelopes and Systems Program – \$222,200 (Free Cash):** FY2018 funds will be used to perform annual prioritized extraordinary repairs and modifications to school buildings and systems. Specifically, this request will be used to repair water infiltration issues on the main façade of the main entrance columns at Harrington Elementary School. This project seeks to prevent continued deterioration of the building's exterior and discomfort to the building's occupants due to air and water infiltration.

- 2. Municipal Building Envelopes and Systems – \$194,713 (Tax Levy):** This ongoing capital request, originally approved for funding in the 2006 Proposition 2½ Override, includes repair/replacement projects for the maintenance and upgrade of municipal buildings and systems. The FY2018 request seeks \$194,713 of funding to implement extraordinary repairs to the foundation and original drainage system of the Town Office Building. A portion of the FY2017 appropriation will be utilized to supplement the project cost. The Town Office Building experiences ongoing water infiltration issues in the basement level due to holes, voids and failed seals through the existing foundation walls. Conditions are further exacerbated by oversaturated soil from storm water run-off due to roof and site grading conditions. This project would secure the health of occupants who utilize the basement area and repair ongoing foundation deterioration.
- 3. Building Flooring Program – \$150,000 (Free Cash):** Initiated in FY11, this is an annual request for funds to be used for the replacement of flooring systems in municipal and school buildings. The FY2018 request will be used for continuing replacements at the Cary Memorial Library and Lexington High School, including the floor of the dance classroom. The goal of this program is to ensure floor surfaces remain clean and safe for all users.
- 4. School Paving Program – \$172,226 (Free Cash):** This capital request would address pedestrian, bicycle and driver safety on school grounds by funding the replacement of deteriorated paving at the Bridge Elementary School. Pot holes have impacted driving and walking conditions, causing unsafe conditions for pedestrians, drivers and plowing equipment. The project is planned for implementation during the summer of 2018. Extraordinary repairs for school paving areas are necessary to maintain parking and pedestrian surfaces in a condition suitable for public safety and Safe Routes to School.
- 5. Public Facilities Bid Documents - \$159,459 (\$100,000 Free Cash, and \$59,459 unused bond proceeds of prior years' capital projects):** This is an annual request for funding of professional services to produce design development, construction documents and/or bid administration services for smaller school projects in anticipation of requests for construction funding at town meeting that have a high probability of approval. This will ensure that the projects can be completed in the then-current construction season, which is particularly important for the timely completion of such projects given the short window between the end of school in June and the beginning of school the following August.
- 6. School Traffic Safety Improvements - \$45,000 (Free Cash):** This request is part of a multi-year program to improve traffic flows and traffic-related safety at Lexington's schools. The School Committee commissioned a Traffic Safety and Mitigation study of school sites on February 26, 2014 which identified site specific traffic improvements. Prior years' funding has been directed to improvements at the Clarke Middle School, the Bridge Elementary School and the Lexington High School. This FY2018 request is seeking funding for design of improvements for traffic and pedestrian flows at the Bowman Elementary and also for construction of site signage and lot marking to help with traffic calming at LHS.

- 7. Lexington High School (LHS) Security Evaluation & Upgrade – \$150,000 (Free Cash):** At the 2016 Annual Town Meeting \$25,000 was appropriated for a security evaluation of the Lexington High School. The evaluation assessed the current security systems, including the closed circuit television system (CCTV) and the feasibility to upgrade/install electronic door access controls. Funding of this proposed project would improve the reliability and functionality of the security cameras system by upgrading from digital video recorders placed throughout the schools to a server based system in the server room and add 30 cameras for more complete coverage.
- 8. Public Facilities Mechanical/Electrical System Replacements – \$489,000 (Free Cash):** This FY2018 request is part of an annual replacement of HVAC and electrical systems that have exceeded their useful life and require replacement before excessive failures occur. The bulk of the FY2018 appropriation would be used to replace the chiller at the Cary Memorial Library; funds would also be spent to develop a plan for the replacement of geothermal well pumps at both Fiske and Harrington Elementary Schools. The existing chiller at the Cary Memorial Library has a higher rate of component and structural failures that have been linked to manufacturing and installation issues. Replacement of the chiller will ensure uninterrupted library operations and prevent temporary cooling measures which come at a considerable cost.
- 9. Parking Lot for Community Center – \$425,000 (Free Cash):** When the Town purchased the Community Center property in 2013, most of the parking lot area was retained by the Scottish Rite with the Town obtaining an easement to use those lots when not in use by patrons of Scottish Rite programs. Shortly after the Community Center purchase, the Scottish Rite expanded the parking lot area between the existing lot and the Town's lot adjacent to the front of the Community Center. The new lot is regularly used by Community Center patrons even though it is not owned by the Town. The Scottish Rite has indicated that they rarely have a need to use the new lot and have offered to sell it to the Town for \$400,000, an amount that covers the construction cost. Additional funds of \$25,000 are requested for legal costs, survey work and other administrative expenses that may be required. The purchase of the parking lot would expand parking for the Community Center to accommodate increasing demand as programs expand. Ownership would also permit the Town to identify the lot as part of the Community Center property, eliminating uncertainties about whether parking is allowed for Community Center patronage.
- 10. Munroe School Window Restoration – \$620,000 (CPA):** The 2016 Annual Town Meeting appropriated funds to carry out a study to produce recommendations and cost estimates for the replacement or functional restoration of all windows at the Munroe Center for the Arts (formerly the Munroe School). The FY2018 request will fund the restoration of all 117 windows in the building. Restoring the windows will improve the building's energy efficiency and the window's functionality.

Municipal Projects

11. Townwide Phone Systems – Phase VI – \$120,000 (Free Cash): The FY2018 request for this multi-phase project will fund Phase VI of the Townwide Telephone Replacement Project. At the 2008 Annual Town Meeting, \$30,000 was appropriated to fund a needs assessment for the replacement of phone systems in all town and school buildings. The recommendation of the consultant was for the Town to replace existing municipal and school phone systems with VoIP phone systems. Subsequent Town Meetings have appropriated additional funds for the various phases of the project. To-date, the new VoIP phone systems have been installed in the Town Offices Building, Lexington High School, the School Administration Building, Clarke School, Diamond School and the Cary Memorial Library. VoIP phones have also been installed at the Community Center but only the Human Services Department installation was funded by capital requests; installation in the rest of the Community Center was funded by construction capital.

Phase VI requests \$120,000 to supplement \$373,000 of unspent funds from Phases I-V. It is expected that the total amount (\$493,000) will be sufficient to complete the project, including phone installations at the public safety facilities, upgrades to the remaining telecommunications core equipment and completion of the remaining upgrade installations at both Harrington and Fiske Elementary Schools.

12. Municipal Technology Improvement Program – \$100,000 (Free Cash): This FY2018 capital request is part of a multi-phase program to enhance the Town's network storage capabilities. Previous appropriations have funded the initial installation and subsequent expansion of server area network (SAN) equipment in the server rooms at both the Town Office Building and 201 Bedford Street. These appropriations also funded the purchase of necessary software to assist with file storage, archiving and discovery. The FY2018 request will fund additional storage space for the existing SANs and expand server capacity. The need for the equipment is driven by rapidly growing data sets and unstructured files due to email archiving. The project aims to reduce financial burdens, staff time and power consumption while increasing management efficiencies. An FY2019 request is expected to include funding for the installation of servers and server infrastructure at the Community Center.

13. Network Redundancy & Improvement Plan – \$130,000 (Free Cash): The functionality of the Town's computer network is critical for the efficient and effective delivery of all municipal services. In an effort to decrease network downtime (occurring beyond the Town's control), the FY2018 request seeks to fund the pilot installation of a single site wireless failover link as a redundant pathway for the fiber network, reducing the risk for outages within the Town's network. The project includes funding for equipment, cabling, installation and network programming which will set-up and test the network for future installations of the wireless redundant network. Pending successful implementation of the pilot program, it is anticipated that general Town-wide implementation would begin in FY2019 with completion in FY2020.

14. Cotton Farm Conservation Area Improvements – \$301,300 (CPA): The 2010 Annual Town Meeting authorized the use of CPA funds for the purchase of the four-acre Cotton Farm Conservation area. A subsequent land management plan was also completed which identified both short and long-term goals aimed at enhancing the property's recreational, cultural and conservation values. A number of those goals have since been completed and this FY2018 request seeks to fund several long-term goals, including removal and naturalization of a major portion of the existing driveway and parking area, relocation and construction of a new expanded parking area and installation of an ADA accessible trail and pond viewing platform along the edge of the pond and wetlands located on the property.

15. Willard's Wood and Wright Farm Meadow Preservation – \$40,480 (CPA): Many of Lexington's meadows have received minimal maintenance since their acquisition, resulting in the advancement of invasive plants, the loss of historic stone walls and vistas and the invasion of shrubs and trees within the meadow habitat. A multi-year Conservation Meadow Preservation Program was implemented to protect and preserve the nearly 65 acres of upland meadows owned and managed by the Conservation Commission. This FY2018 request is the second phase of the program. \$26,400 in CPA funds was appropriated by 2015 Annual Town Meeting for restoration and preservation at Hennessey Field and Joyce Miller's Meadow. The FY2018 request consists of restoration, preservation and protection of approximately 20 acres of conservation meadow at Willard's Woods and Wright Farm. The project aims to provide scenic places for passive recreation, enhanced wildlife and plant habitat and the recovery of stone walls and scenic vistas.

16. Wright Farm Supplemental Funds – \$37,900 (CPA): Article 9 of 2015 Annual Town Meeting authorized the purchase of a second parcel of the Wright Farm property, including the existing farmhouse and barn. Following the purchase, an environmental site assessment revealed high concentrations of lead in the soil near the barn, likely from agricultural pesticide preparation. This resulted in higher remediation costs than originally anticipated. FY2018 funds will supplement the legal work, site assessment work and land management originally associated with the 2015 purchase of the property under Article 9. An appropriation of \$35,000 authorized by 2016 Annual Town Meeting for a needs assessment and feasibility study of the barn remains unspent, pending completion of the site assessment and remediation.

17. Stone Building Feasibility Study – \$25,000 (CPA): FY2018 funds are requested in order to ascertain market interest among local and regional groups for use of the first floor space. \$25,000 is requested to contract with an exhibit curator to research arts and cultural groups and to gauge the feasibility of and interest in using the first floor as a rotating exhibition space in a manner consistent with a prior historic structures report and historic preservation recommendations. The report would also identify the arts and cultural groups' general security requirements, climate control needs and other physical conditions necessary to secure and protect the art and artifacts while on exhibition at the Stone Building. Previous Town Meetings have appropriated funds for exterior stabilization and preservation, including recommendations for reuse of the structure in order to make the building functional for its intended use.

18. Bedford Street at Eldred Street Safety Improvements – \$175,000 (Free Cash):

The intersection of Eldred Street at Bedford Street (also the location of two MBTA bus stops) has been identified as a dangerous crossing for pedestrians trying to walk across four lanes of traffic. This FY2018 request would fund the creation of a safe and accessible pedestrian crossing and related infrastructure. More specifically, it would finalize design and build the proposed crossing and related improvements. This appropriation would ensure that the Town continues to advance and implement one of several transportation system improvements that were identified as part of the Town's 2010 Traffic Mitigation Plan for the Hartwell Avenue Transportation Management Overlay District.

19. Affordable Units Preservation, Pine Grove/ Judge's Road – TBD (CPA):

The Town is currently exploring its rights in an older affordable housing development that may soon be released from the terms of its affordability. To upgrade these units and keep them on the Subsidized Housing Inventory (SHI) the Town has requested a potential CPA appropriation in order to financially assist the development and, more importantly, to obtain a permanent, affordable deed restriction on the units.

20. Transportation Mitigation – \$100,000 (Free Cash):

This 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. These FY2018 funds are proposed for evaluation and development of construction cost estimates for future capital requests and to fund the design and construction of smaller scale safety-related projects. Between FY08 and FY11, Town Meeting appropriated funds to collect data, perform analyses, 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). Due to an increase in the number of citizen

requests received over the past few years, the TSG seeks to renew this funding for FY2018 and anticipates the need to be ongoing in order to ensure that transportation safety remains a critical part of Lexington's quality of life.

21. Hill Street New Sidewalk Project – \$150,000 (Free Cash):

This request is for design funds for the installation of a new sidewalk along the 0.7 mile stretch of road from Bedford Street to Cedar Street which has poor sightlines due to the winding character of the road, and abuts approximately 45 residences as well as the Lexington Golf Club and Poor Farm Conservation Area. A survey of the roadway has been conducted which included a preliminary evaluation of sidewalk locations along both sides of the street. Funds will be used to finalize the design work (i.e., refine the placement of sidewalks as well as retaining walls, drainage and other design elements) in order to provide a more detailed cost estimate for the project.

22. Automatic Meter Reading System – \$40,000 (\$20,000 Water Retained Earnings and \$20,000 Wastewater Retained Earnings):

This FY2018 request will provide funding to contract with a firm to evaluate the existing meter equipment for compatibility with an Automatic Meter Reading (AMR) technology. The goal is to research and install a town-wide radio read system that will provide the ability to read meters from a remote location and provide the Town with more frequent meter readings to improve the billing process. It is expected that the implementation of the automatic meter reading system will be accomplished in three phases over a three-year time

period. The Water Division is currently working on prepping meters for acceptance of the AMR equipment which requires the replacement of the water meter and installation of a third radio read wire on existing meters.

23. Street Improvements – \$3,513,943 (\$2,542,927 Tax Levy, \$971,016

Chapter 90 funding): This is an annual request for the street resurfacing and maintenance program. In addition to the \$2,542,827 appropriated from the tax levy, \$971,016 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	
	FY2018
2001 Override Increased by 2.5% per year	\$ 655,654
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- Shade Street Traffic Calming	\$ 50,000
Portion of the municipal share of incremental FY2017 revenue from the FY2017 Revenue Allocation Model	\$ 291,189
Estimated Chapter 90 Aid	<u>\$ 971,016</u>
Total	\$ 3,513,943
Without Chapter 90	\$ 2,542,927

24. Storm Drainage Improvements and NPDES Compliance – \$340,000 (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. \$70,000 is estimated 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 storm water general permit. An estimated \$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 storm water issues discovered during NPDES investigation work. Engineering evaluations are underway in the Wheeler Road neighborhood and upcoming drainage installations may include Allen Street and other areas identified needing improvement. Illicit discharge detection has been ongoing in the Vine Brook and Mill Brook areas where contamination has been identified. The pre-emptive repair of existing drainage structures will reduce damage to structures themselves, existing pavement and private and public property.

25. Sanitary Sewer System Investigation and Improvements – \$1,000,000

(Wastewater Retained Earnings): 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. Work was recently completed in sewer basin areas encompassing the northeasterly area of Lexington. Possible future areas of removal include the North Hancock Street area, Locust Street and Follen Road area, and the Peacock Farm, Pleasant Street and Worthen Road east area. It is also anticipated that the lining of the 24" sewer main leading from the Clarke Middle School area to the Bowman School area will be re-lined due to a collapse in the line earlier this year that resulted in an emergency repair. 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.

26. 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 1,200 fire hydrants in its fire protection system; a total of 380 hydrants have been replaced.

27. Pump Station Upgrades – \$800,000 (\$530,000 Wastewater Debt and \$270,000 Wastewater Retained Earnings): See detailed description under

Table III – Wastewater Fund Debt

28. Water Distribution System Improvements – \$1,000,000 (Water Retained Earnings):

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. Currently, a model is being developed which will identify areas of vulnerability and those areas with low volumes and pressures. Upon completion this winter, the plan is expected to guide in future water system capital improvement planning and may result in an adjustment of the annual requests. Water main replacement has been completed on Mass Ave (from Pleasant Street to Marrett Road) and in the Prospect Hill area. Work is nearing completion at the Woburn Street intersection. The model will also help evaluate the town's water break history and its relation to pipe type and age. Combined with the replacement of the remaining unlined water mains, the model will help create a long-term capital plan and ensure a proactive approach for keeping Lexington's water both safe and reliable.

29. Townwide Signalization Improvements – \$125,000 (Free Cash): This is an annual request that seeks funds to update traffic and pedestrian signals in Lexington. A signal inventory and compliance study has been completed which includes ADA compliance, condition assessment, signal timing, delays and priority recommendations. FY2018 funds will implement signals identified in the plan and other issues identified by the Transportation Safety Group (TSG). Potential locations for FY2018 funding include ongoing design and possible construction at the intersection of Bedford Street and Worthen Road, pending reconstruction plans for the main Fire Station. Additional locations include Lowell Street at East Street, and Lowell Street at North Road and

Bedford Street at Worthen Road. Data collection analysis and design is estimated to be approximately 20% of the total cost. Replacement of signals at the Concord Ave and Waltham Street intersection is complete with the exception of punch list items. The ongoing improvements will prevent equipment failure, improve traffic flow, decrease energy consumption and allow for proper accessibility.

30. Community Center Sidewalk – \$220,000 (CPA): The 2014 March Special Town Meeting appropriated funds for renovations to the Community Center. At the time of the funding request, the design of the sidewalk from Marrett Road to the Community Center was not yet complete. \$50,000 was appropriated by the 2015 Annual Town Meeting for additional design funds. The FY2018 request represents construction costs for the proposed design of a bituminous sidewalk with pedestrian level lighting that will allow access from Marrett Road to the Community Center.

31. Westview Cemetery Irrigation – \$35,000 (Sale of Cemetery Lots Special Revenue Fund): There remains one section of Westview Cemetery that needs in-ground irrigation to help improve and maintain turf appearance, vigor and recovery. FY2018 funds will be used to complete the irrigation system. Water is essential for turf to grow, recover and thrive and is especially important for seed establishment and aesthetics. Westview Cemetery is frequently visited by family and friends who expect to see well-maintained turf. The completion of the in-ground irrigation system will allow for those expectations to be met.

32. Highway Sign Machine – \$40,000 (Free Cash): This request would fund the upgrade of the Highway Division's Sign Shop digitizing machine. The current machine limits which signs can be manufactured by in-house personnel. The new digital printer would allow for the DPW to manufacture 95% of all signs with current DPW personnel. Currently, the department manufactures about 95% of street signs and about 70% of regulatory and custom signage. The remaining signs are fabricated through a vendor. Every year, custom sign requests have increased and the requested technology will provide the tools to make signs in the DPW sign shop with department personnel, helping to reduce costs and improve efficiency.

33. Park and Playground Improvements – \$60,000 (CPA): This FY2018 request will fund the replacement of swing sets and the installation of bike racks at Bow Street Park, Franklin Park and Munroe Park. These are heavily used park and playground areas and the equipment requires replacement. The existing swing structures are not in compliance with current standards – the swings at Bow Street Park were last replaced in 1986 and swings at Franklin and Munroe Parks were last replaced in 1989. The proposed playground improvements will renovate and rehabilitate existing safety surfacing and equipment so that all sites will be in compliance with the Consumer Product Safety Commission (CPSC), American Society for Testing and Materials (ASTM) and the Americans with Disabilities Act (ADA). Future appropriations are expected to be requested and used for updates to both Sutherland and Rindge Parks.

34. Town Pool Renovation – \$1,620,000 (CPA): FY2018 funds will be used for Phase III of the multi-phased program for renovations to the Irving H. Mabee Pool Complex. An FY2017 appropriation funded design and engineering costs, construction/bid documents and a mini-audit resulting in updated recommendations for necessary improvements for the successful operation of the Town Pool Complex. In addition to replacement of the filtration systems, the pool facility audit recommended the following:

- Reconfiguration of the wading pool and installation of new water spray features
- Replacement of the existing roof
- Re-plastering of the wading, main and dive pools
- Replacement of the three diving boards
- Reconfiguration of the three one-meter diving board rails
- Installation of new lifeguard chairs
- Replacement of the fencing with new black vinyl-coated chain link fencing and gates
- Resetting of the copings for the wading pool
- Installation of a new shade structure

Pending approval of funds at the 2017 Annual Town Meeting, the contract for the project is expected to be awarded in May 2017 with construction beginning as soon as the facility closes in early September 2017. The project would continue through the fall and winter and is scheduled to be completed in May 2018, ensuring that summertime pool operations are not interrupted.

35. Park Improvements – Athletic Fields – \$125,000 (CPA): This FY2018 request seeks to fund improvements to the Town's current irrigation systems. Proposed changes to the current systems will allow for improved water usage, efficiency and repairs. The updates will allow for the irrigation to be more targeted on the playing areas and will result in less water usage. Town athletic fields see excessive use and timely renovations and updates are critical for providing safe and playable fields for all user groups. This request is part of an ongoing, multi-year capital program aimed at addressing safety and playability concerns while providing adequate and safe field conditions for neighborhood families, recreation and school programs.

36. Pine Meadows Equipment – \$55,000 (Recreation Retained Earnings): This request will fund the purchase of a new lawn mower intended to replace an existing mower acquired in 2002. The new Toro Triplex mower has improved technology and specifications that will improve the quality of cut compared to the existing mower which has exceeded its useful life of ten years. Greens are mowed on a daily basis throughout the golf season and sufficient equipment is needed to properly set up a golf course and provide superior playing conditions on a consistent basis throughout the year. Past and future success at Pine Meadows can be attributed to the ongoing investment in golf course infrastructure and equipment to maintain the 88 acres of property. The new mower will ensure proper maintenance of the turf, improved pace of play and superior playing conditions.

37. Bikeway Bridge Renovations – \$368,000 (\$118,574 Free Cash & \$249,426 General Fund Debt): See detailed description under Table I – General Fund Debt.

Other CPA-Funded Projects

- 1. Interpretive Signage Project – \$38,400 (CPA):** In 1975 the Lexington Historical Society, in cooperation with the Town's Bicentennial Committee, established three historic walking trails in the areas comprising Lexington's historic districts. A total of 32 interpretive signs are placed along those trails. While the project has largely stood the test of time, some markers are missing, some require replacement and all eventually need to be remounted. The proposal also includes a modest expansion of signage, particularly in Lexington Center. FY2018 funds would allow for the replacement of four missing signs, the expansion of the trail with up to eight signs, the replacement of eight existing signs that are damaged and the re-mount of three signs currently in storage. Funds will also be used to update signage content where necessary and to replace current wooden mounts with heavy metal mounts.
- 2. Parker's Revenge Interpretive and Public Education Signage and Displays – \$41,350 (CPA):** \$36,790 in CPA funds was appropriated by the 2015 Annual Town Meeting for Phase I of the Parker's Revenge Site Restoration, a project to restore a heroic battlefield on which the second battle of Lexington was fought on April 19, 1775. The FY2016 funding supported field studies and three metallic surveys that successfully uncovered 29 fired and unfired musket balls from the Parker's Revenge Battle.

The Friends of Minuteman National Park submitted this FY2018 request for funding to support Phase II of the project. CPA funds will support the design, fabrication and installation of a wall-mounted, museum quality exhibit case constructed to house the archaeological artifacts discovered during Phase I. It will also fund the design and installation of graphic wayside exhibit panels and the development of a solar powered audio component for external exhibit panels. This project aims to preserve, restore and maintain the historic Parker's Revenge battle site and to educate the public of the battle's significance as it relates to the Revolutionary War.

- 3. Greeley Village Rear Door and Porch Supplemental Request – \$56,712 (CPA):** FY2017 funds were approved to help finance a portion of the preservation of all rear doors and porches at Greeley Village. The failing doors and porches were identified by the Lexington Housing Authority (LHA) as priority needs due to their continued deterioration. \$56,712 is requested in FY2018 to supplement the initial FY2017 request. A more in-depth analysis of the conditions was conducted and the porch decking was also determined to be in disrepair. The porch decking was not included in the original scope of work. LHA submitted this supplemental request for FY2018 in order to complete the project in its entirety.

TABLE VIII: DEFERRED FY2018 AND PROPOSED FY2019 TO FY2022 CAPITAL REQUESTS							
Department	Project Name	Deferred 2018	FY2019	FY2020	FY2021	FY2022	TOTALS
Office of Land Use, Health and Development							
Econ. Dev.	Muzzey Street/Clark Street Parking Lot	\$ -	\$ 105,000	\$ 1,500,000	\$ -	\$ -	\$ 1,605,000
Planning	Hartwell Area TMOU Plan Update	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Planning	Transportation Mitigation (TSG)	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
		\$ -	\$ 255,000	\$ 1,600,000	\$ 100,000	\$ 100,000	\$ 2,055,000
Fire and Rescue							
	Ambulance Replacement	\$ -	\$ -	\$ -	\$ 280,000	\$ -	\$ 280,000
	Protective Clothing	\$ -	\$ -	\$ 67,500	\$ -	\$ -	\$ 67,500
		\$ -	\$ -	\$ 67,500	\$ 280,000	\$ -	\$ 347,500
Information Services							
	Replace Townwide Phone Systems-Phase VI	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000
	Head End Equipment Replacement	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ 180,000	\$ 680,000
	Network Redundancy & Improvement Plan	\$ -	\$ 330,000	\$ 220,000	\$ -	\$ -	\$ 550,000
		\$ -	\$ 580,000	\$ 470,000	\$ 100,000	\$ 180,000	\$ 1,330,000
Police							
	Police Outdoor/Indoor Firing Range - Hartwell Avenue	\$ -	TBD	TBD	\$ -	\$ -	TBD
	Public Safety Radio Console Replacement	\$ -	\$ -	\$ 370,000	\$ -	\$ -	\$ 370,000
		\$ -	\$ -	\$ 370,000	\$ -	\$ -	\$ 370,000
Public Facilities							
	Lexington Police Station Rebuild	\$ -	\$ 1,000,000	\$ 18,200,000	\$ -	\$ -	\$ 19,200,000
	Townwide Roofing Program	\$ 1,784,160	\$ 381,266	\$ 3,500,715	\$ 1,939,206	\$ 502,538	\$ 8,107,885
	School Building Envelopes and Systems Program	\$ -	\$ 227,755	\$ 233,448	\$ 239,285	\$ 245,199	\$ 945,687
	Municipal Building Envelopes and Systems	\$ -	\$ 198,893	\$ 203,205	\$ 208,285	\$ 213,492	\$ 823,875
	Building Flooring Program	\$ -	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 500,000
	School Paving Program	\$ -	\$ 176,278	\$ 180,565	\$ 184,172	\$ 188,354	\$ 729,369
	Public Facilities Bid Documents	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
	LHS Security Evaluation and Upgrade	\$ 477,320	\$ -	\$ -	\$ -	\$ -	\$ 477,320
	Visitors Center	\$ 118,500	\$ 3,815,000	\$ -	\$ -	\$ -	\$ 3,933,500
	School Traffic Safety Improvements	\$ -	\$ 35,000	\$ 40,000	\$ 25,000	\$ -	\$ 100,000
	Public Facilities Mechanical/Electrical System Replacements	\$ -	\$ 544,500	\$ 605,000	\$ 672,000	\$ 728,000	\$ 2,549,500
	Lexington High School Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 1,825,000	\$ 1,825,000
		\$ 2,379,980	\$ 6,603,692	\$ 23,187,933	\$ 3,492,948	\$ 3,927,583	\$ 39,592,136
Public Works							
	Center Streetscape Improvements	\$ 2,870,000	\$ 2,500,000	\$ 2,500,000	\$ -	\$ -	\$ 7,870,000
	Automatic Meter Reading System	\$ -	\$ 657,250	\$ 496,000	\$ 496,000	\$ -	\$ 1,649,250
	Equipment Replacement	\$ -	\$ 953,000	\$ 949,000	\$ 946,000	\$ 948,000	\$ 3,796,000
	Street Improvements	\$ -	\$ 2,559,218	\$ 2,576,019	\$ 2,593,240	\$ 2,610,892	\$ 10,339,369
	Storm Drainage Improvements and NPDES compliance	\$ -	\$ 370,000	\$ 370,000	\$ 370,000	\$ 370,000	\$ 1,480,000
	Sanitary Sewer System Investigation and Improvements	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 4,000,000
	Hydrant Replacement Program	\$ -	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 600,000
	Pump Station Upgrades	\$ -	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 3,200,000
	Comprehensive Watershed Stormwater Management Study and Implementation	\$ -	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000	\$ 1,560,000
	Water Distribution System Improvements	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 4,000,000
	Sidewalk Improvement	\$ -	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 3,200,000
	Battle Green Master Plan - Phase 3	\$ -	\$ 570,438	\$ -	\$ -	\$ -	\$ 570,438
	Townwide Culvert Replacement	\$ -	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000	\$ 1,560,000
	Townwide Signalization Improvements	\$ -	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 500,000
	Municipal Parking lot improvements	\$ -	\$ -	\$ 40,000	\$ 440,000	\$ -	\$ 480,000
	Battle Green Streetscape Improvements	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000
	Westview Cemetery Building Design	\$ -	\$ 2,660,000	\$ -	\$ -	\$ -	\$ 2,660,000
	Public Parking lot Improvement Program	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,000,000
	Staging for Special Events	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000
		\$ 2,930,000	\$ 18,424,906	\$ 12,086,019	\$ 10,000,240	\$ 9,083,892	\$ 52,525,057
Recreation							
	Athletic Facility Lighting	\$ -	\$ 855,000	\$ -	\$ -	\$ -	\$ 855,000
	Pine Meadows Improvements	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 60,000
	Park and Playground Improvements	\$ -	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 140,000
	Park Improvements - Athletic Fields	\$ -	\$ -	\$ 400,000	\$ 225,000	\$ 125,000	\$ 750,000
	Pine Meadows Equipment	\$ -	\$ 55,000	\$ 50,000	\$ 60,000	\$ 50,000	\$ 215,000
	Park Improvements - Hard Court Resurfacing	\$ -	\$ -	\$ 58,000	\$ 43,000	\$ 65,000	\$ 166,000
	Center Track and Field Reconstruction	\$ -	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 3,000,000
	Recreation Site Assessment of Potential Land Acquisition	\$ -	TBD	TBD	TBD	TBD	\$ -
	Outdoor Pickleball Court Construction	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
	Cricket Field Construction	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
		\$ -	\$ 3,910,000	\$ 568,000	\$ 398,000	\$ 610,000	\$ 5,486,000
Schools							
	Food Service Equipment	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000
	School Furniture, Equipment & Systems Program	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 800,000
	LPS Technology Capital Request	\$ -	\$ 1,550,000	\$ 1,550,000	\$ 1,550,000	\$ 1,550,000	\$ 6,200,000
		\$ -	\$ 1,825,000	\$ 1,825,000	\$ 1,825,000	\$ 1,825,000	\$ 7,300,000
Town Clerk							
	Archives & Records Management/Records Conservation & Preservation	\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000
		\$ -	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	GRAND TOTAL	\$ 5,309,980	\$ 31,618,598	\$ 40,194,452	\$ 16,216,188	\$ 15,746,475	\$ 109,085,693

Section XII: Appendices



A: Program Improvement Requests

B: Budget Information

C: Financial Information

D: Glossary

Appendix A: Program Improvement Request Summary





Appendix A: Program Improvement Requests

Shared and Municipal Programs 2000 – 8000

FY2018 Recommended Budget: Program Improvements

Program Improvement Request Summary

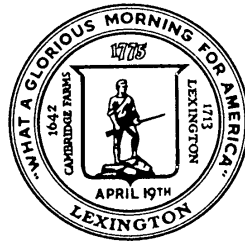
Program	Department Request	Recommended	Not Recommended
General Fund			
Subtotal Public Facilities	\$ 45,211	\$ -	\$ 45,211
Subtotal Public Works	\$ 211,392	\$ 131,619	\$ 79,773
Subtotal Fire	\$ 174,372	\$ -	\$ 174,372
Subtotal Library	\$ 5,739	\$ 5,739	\$ -
Subtotal Office of Land Use, Health and Development	\$ 430,767	\$ 328,367	\$ 102,400
Subtotal Town Manager's Office	\$ 70,363	\$ -	\$ 70,363
Subtotal Miscellaneous Boards and Committees	\$ 50,000	\$ 40,000	\$ 10,000
Subtotal Town Clerk	\$ 25,425	\$ 25,425	\$ -
Subtotal Information Services	\$ 15,000	\$ 15,000	\$ -
Total General Fund Requests	\$ 1,028,269	\$ 546,150	\$ 482,119

Non-General Fund

Subtotal Public Works	\$ 36,568	\$ -	\$ 36,568
Subtotal Office of Land Use, Health and Development	\$ 27,000	\$ 27,000	\$ -
Total Non-General Fund Requests	\$ 63,568	\$ 27,000	\$ 36,568

		Departmental Request				Recommendation	
GENERAL FUND							
Program	Description	Compensation	Expenses	Benefits	Total	Recommended	Not Recommended
Public Facilities							
2420 - Municipal Facilities	In-House Cleaning of Library, PSB and TOB	\$ 103,033	\$ (91,335)	\$ 33,513	\$ 45,211	\$ -	\$ 45,211
Total Public Facilities		\$ 103,033	\$ (91,335)	\$ 33,513	\$ 45,211	\$ -	\$ 45,211
Public Works							
3100 - DPW Admin/Engineering	Senior Civil Engineer	\$ 79,134	\$ (60,000)	\$ 17,258	\$ 36,392	\$ 1,619	\$ 34,773
3200 - Highway	Pavement Markings	\$ -	\$ 120,000	\$ -	\$ 120,000	\$ 75,000	\$ 45,000
3300 - Public Grounds	Landscape Maintenance at Munroe Cemetery	\$ -	\$ 5,000	\$ -	\$ 5,000	\$ 5,000	\$ -
3300 - Public Grounds	Street Tree Health Assessments	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -
Total Public Works		\$ 79,134	\$ 115,000	\$ 17,258	\$ 211,392	\$ 131,619	\$ 79,773
Fire							
4230 - Fire Suppression/EMS	Ambulance Staffing, 2 FTE's	\$ 136,600	\$ 4,000	\$ 33,772	\$ 174,372	\$ -	\$ 174,372
Total Fire		\$ 136,600	\$ 4,000	\$ 33,772	\$ 174,372	\$ -	\$ 174,372
Library							
5130 - Children's Library	Sunday Staff Hours for Teen Space	\$ 5,739	\$ -	\$ -	\$ 5,739	\$ 5,739	\$ -
Total Library		\$ 5,739	\$ -	\$ -	\$ 5,739	\$ 5,739	\$ -
Office of Land Use, Health and Development							
7110 - Building & Zoning	Regular Part-Time Wages	\$ 9,882		\$ 143	\$ 10,025	\$ 10,025	\$ -
7140 - Board of Health	Public Health Contracted Services and Supplies		\$ 16,342		\$ 16,342	\$ 16,342	\$ -
7200 - Planning	FY2018 Comprehensive Plan	\$ 6,000	\$ 352,900	\$ -	\$ 358,900	\$ 302,000	\$ 56,900
7300 - Economic Development	Marketing Budget Increase		\$ 5,500	\$ -	\$ 5,500	\$ -	\$ 5,500
7300 - Economic Development	Market Study		\$ 25,000		\$ 25,000	\$ -	\$ 25,000
7300 - Economic Development	Revolutionary Revelry Event Manager		\$ 15,000	\$ -	\$ 15,000	\$ -	\$ 15,000
Total Office of Land Use, Health and Development		\$ 15,882	\$ 414,742	\$ 143	\$ 430,767	\$ 328,367	\$ 102,400
Town Manager's Office							
8220 - Human Resources	Administrative Assistant	\$ 52,616		\$ 17,747	\$ 70,363	\$ -	\$ 70,363
Total Town Manager's Office		\$ 52,616	\$ -	\$ 17,747	\$ 70,363	\$ -	\$ 70,363
Miscellaneous Boards and Committees							
8230 - Misc. Boards and Committ	Council for the Arts Grant Program		\$ 10,000		\$ 10,000	\$ -	\$ 10,000
8320 - Misc. Boards and Committ	Getting to Net Zero - Phase 2 of 3	\$ -	\$ 40,000		\$ 40,000	\$ 40,000	\$ -
Total Miscellaneous Boards and Committees		\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 40,000	\$ 10,000
Town Clerk							
8500 - Town Clerk	Municipal Assistant - Additional Hours	\$ 9,871		\$ 15,554	\$ 25,425	\$ 25,425	\$ -
Total Town Clerk		\$ 9,871	\$ -	\$ 15,554	\$ 25,425	\$ 25,425	\$ -
Information Services							
8600 - Information Services	IT Services through MAGIC Regional Consortium	\$ 15,000			\$ 15,000	\$ 15,000	\$ -
Total Information Services		\$ -	\$ 15,000	\$ -	\$ 15,000	\$ 15,000	\$ -
TOTAL - GENERAL FUND		\$ 402,876	\$ 507,407	\$ 117,987	\$ 1,028,269	\$ 546,150	\$ 482,119
NON-GENERAL FUND							
Public Works							
3400 - Environmental Services	Compost Heavy Equip. Op. - PT to FT	\$ 20,596	\$ -	\$ 15,972	\$ 36,568	\$ -	\$ 36,568
Total Public Works		\$ 20,596	\$ -	\$ 15,972	\$ 36,568	\$ -	\$ 36,568
Office of Land Use, Health and Development							
7300 - Economic Development	Bike Share Program		\$ 27,000		\$ 27,000	\$ 27,000	\$ -
Total Office of Land Use, Health and Development		\$ -	\$ 27,000	\$ -	\$ 27,000	\$ 27,000	\$ -
TOTAL - NON-GENERAL FUND		\$ 20,596	\$ 27,000	\$ 15,972	\$ 63,568	\$ 27,000	\$ 36,568
COMBINED TOTAL - ALL FUNDS		\$ 423,472	\$ 534,407	\$ 133,958	\$ 1,091,837	\$ 573,150	\$ 518,687

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Appendix B: Budget Information



Budget Bylaw – Table of Contents

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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 By-Laws 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 Board of Selectmen to oversee the daily operations of the Town, to administer the policies and procedures of the Board, and to enforce all by-laws 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 SELECTMEN

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 Selectmen, 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 Selectmen after consultation with the School Committee, Appropriation Committee and the Capital Expenditures Committee.

SUBMISSION OF CAPITAL EXPENDITURES BUDGET TO SELECTMEN

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 Board of Selectmen 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 Board of Selectmen

Lexington's charter establishes an elected five member Board of Selectmen to oversee the executive branch of Town government. Selectmen 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 Selectmen 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 Selectmen 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 Selectmen 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 Selectmen shall transmit a copy of the capital budget together with their recommendations relative thereto to the Appropriation Committee and to the Capital Expenditures Committee.

Board of Selectmen (continued)

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 Selectmen shall submit a budget at the annual Town Meeting. The Selectmen'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 Board of Selectmen 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 Board of Selectmen 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-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.

[Amended 3-16-1981 ATM by Art. 11; 3-23-2009 ATM by Art. 33]

Override History

In Massachusetts, a state law known as Proposition 2½ limits municipal tax revenue growth. Two provisions within Proposition 2½ allow votes to authorize the Town to raise taxes above the tax levy limit: an operating override or a debt exclusion.

- An operating override is an action taken by the voters of a town to exceed the limit placed on tax revenue growth. 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 thus becomes a permanent addition to the tax levy limit.
- A debt exclusion is a temporary increase in the tax levy limit to fund the debt service associated with a capital project. A debt exclusion requires a majority vote but does not become a permanent part of the tax levy.

The following table shows the history of operating overrides and debt exclusions in Lexington.

History of Proposition 2½ Override Votes					
Date of Vote	FY	Proposition 2½ Overrides	Operating Override	Debt Exclusion	Result
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

Appendix C: Financial Information



Summary of Town Fund Balances

Combined Summary of Revenues & Expenditures – FY2016 Actual

This chart shows beginning and ending fund balances for FY2016. Beginning balances (as of July 1, 2015) are shown on the first line, broken out for each fund or fund type, followed by all revenues received by category (Tax levy, intergovernmental revenue/state aid, fees, etc.) on the left-hand side of the page. Expenditures are shown by service category (education, public safety, public works, etc.). FY2016 actuals are provided because it is the most recent fiscal year for which data is available.

	General Fund	Sewer	Water	Recreation	Special Revenue	Capital	Trusts	Total All Funds
Beginning Balances	\$ 34,181,240	\$ 30,022,202	\$ 24,672,645	\$ 3,100,486	\$ 22,933,283	\$ 3,939,444	\$ 33,394,580	\$ 152,243,881
REVENUES								
Property Taxes, net	\$ 162,255,535				\$ 4,216,685			\$ 166,472,220
Intergovernmental	\$ 12,078,988	\$ 978,750			\$ 44,124,760	\$ 6,833,036	\$ 4,800	\$ 64,020,334
MV & Other Excise Tax	\$ 6,680,606							\$ 6,680,606
Departmental Fees & Charges	\$ 2,690,398	\$ 9,735,732	\$ 10,436,120	\$ 2,433,908	\$ 4,872,751		\$ 5,199	\$ 30,174,108
Investment Income	\$ 1,473,652	\$ 13,894	\$ 8,659	\$ 3,218	\$ 46,410		\$ 709,254	\$ 2,255,087
Special Assessments	\$ 27,645							\$ 27,645
In-Lieu Payments	\$ 569,564							\$ 569,564
Penalties & Interest	\$ 595,423				\$ 7,452			\$ 602,875
Licenses & Permits	\$ 2,578,503							\$ 2,578,503
Fines & Forfeits	\$ 243,957							\$ 243,957
Bond Proceeds		\$ 470,485	\$ 821,879					\$ 1,292,364
Employee Contributions/Other							\$ 43,851	\$ 43,851
TOTAL REVENUES:	\$ 189,194,271	\$ 11,198,861	\$ 11,266,658	\$ 2,437,126	\$ 53,268,058	\$ 6,833,036	\$ 763,104	\$ 274,961,114
Transfers from other funds	\$ 4,792,236		\$ 75,000	\$ 216,836	\$ 5,698,838	\$ 2,596,900	\$ 10,928,019	\$ 24,307,829
TOTAL AVAILABLE RESOURCES	\$ 193,986,507	\$ 11,198,861	\$ 11,341,658	\$ 2,653,962	\$ 58,966,896	\$ 9,429,936	\$ 11,691,123	\$ 299,268,943
EXPENDITURES								
General Government	\$ 8,996,904				\$ 10,735,661	\$ 6,257,924		\$ 25,990,489
Public Safety	\$ 14,075,800				\$ 1,585,310	\$ 559,769	\$ 5,100	\$ 16,225,979
Education	\$ 96,463,631				\$ 11,534,784	\$ 5,172,276		\$ 113,170,691
Public Works	\$ 7,112,968	\$ 8,201,151	\$ 8,352,324		\$ 8,345,440	\$ 2,265,383		\$ 34,277,266
Health and Human Services	\$ 1,320,073				\$ 326,906	\$ 9,419		\$ 1,656,398
Culture and Recreation	\$ 3,442,953			\$ 2,254,396	\$ 178,546	\$ 32,949	\$ 4,440	\$ 5,913,284
State and County Assessments	\$ 850,735							\$ 850,735
Debt Service	\$ 15,078,028	\$ 1,021,867	\$ 1,307,938	\$ 100,000	\$ 2,389,359			\$ 19,897,192
Pension/Insurance	\$ 29,819,139				\$ 24,662,520		\$ 75,641	\$ 54,557,300
TOTAL EXPENDITURES:	\$ 177,160,231	\$ 9,223,018	\$ 9,660,262	\$ 2,354,396	\$ 59,758,526	\$ 14,297,720	\$ 85,181	\$ 272,539,333
Transfers to other funds	\$ 16,449,570	\$ 518,854	\$ 939,114	\$ 440,440		\$ 51,814	\$ 3,060,571	\$ 21,460,363
ENDING FUND BALANCES	\$ 34,557,945	\$ 31,479,191	\$ 25,414,928	\$ 2,959,613	\$ 22,141,653	\$ (980,153)	\$ 41,939,951	\$ 157,513,128

Summary of Revolving Fund Balances

FY2016 Actuals (and first half of FY2017)

This chart shows beginning and ending balances for municipal Revolving Funds for FY2016 and the first half of FY2017. Beginning balances (as of July 1, 2015) 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) 7/1/2015 Beg Bal	(2) FY2016 Revenue	(3) FY2016 Expenditures	(4) 6/30/2016 End Bal	(5) July-Dec 16 Revenue	(6) July-Dec 16 Expenditures	(7) 12/31/2016 End Bal
Building Rental Revolving	\$ 81,324	\$ 479,541	\$ 475,443	\$ 85,423	\$ 216,467	\$ 213,168	\$ 88,722
Burial Containers	\$ 176,628	\$ 48,760	\$ 36,340	\$ 189,048	\$ 21,695	\$ 50,280	\$ 160,463
Trees	\$ 44,441	\$ 28,500	\$ 40,421	\$ 32,520	\$ 18,500	\$ 7,350	\$ 43,670
Compost Operations	\$ 1,069,413	\$ 658,680	\$ 628,339	\$1,099,754	\$ 142,609	\$ 237,484	\$1,004,879
Minuteman Household Hazardous Waste Program	\$ 60,863	\$ 151,234	\$ 147,885	\$ 64,213	\$ 55,282	\$ 119,495	\$ 0
Health Programs	\$ 27,762	\$ 25,197	\$ 13,810	\$ 39,149	\$ 21,007	\$ 12,741	\$ 47,416
Senior Services (formerly Council on Aging Programs)	\$ 57,574	\$ 27,184	\$ 28,414	\$ 56,344	\$ 30,803	\$ 31,319	\$ 55,828
Liberty Ride	\$ 1,600	\$ 216,884	\$ 201,917	\$ 16,567	\$ 146,328	\$ 162,895	\$ 0
School Bus Transportation	\$ 685,737	\$ 904,440	\$ 946,213	\$ 643,964	\$ 536,632	\$ 1,169,868	\$ 10,727
Regional Cache - Hartwell	\$ 8,509	\$ 4,246	\$ 1,358	\$ 11,397	\$ 3,245	\$ 830	\$ 13,813
Visitors Center	\$ 21,595	\$ 197,186	\$ 188,851	\$ 29,929	\$ 123,749	\$ 115,136	\$ 38,542
PEG Access ¹	\$ 1,404,723	\$ 654,341	\$ 989,584	\$1,069,481	\$ 350,790	\$ 428,935	\$ 991,335

¹Effective July 1, 2017 the PEG Access operation will no longer operate as a Revolving Fund pursuant to IGR 16-102 released in January of 2016. The PEG access operation will be transitioned to a Special Purpose Revenue Fund and will be initially funded out of monies currently in the Revolving Fund.

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 Selectmen's Ad Hoc Fiscal Policy Committee, annual appropriations to the fund are shown in the table below.

The Fiscal Policy Committee recommended that the Town "[b]uild a Stabilization Fund large enough to buffer the General Fund from the impact of two to three years of reduced state aid and declining local receipts. Continue to allocate between \$500,000 and \$1 million each year until the Stabilization Fund reaches roughly 7% of the prior year's General Fund revenues."

(Report of the Financial Policy Committee to BOS, page 4 & 11, March 15, 2006)

Staff further recommended, "While we strongly endorse the policy to establish a target balance of 7% of general fund revenues in the Stabilization Fund, we propose that the fund be built to this level over a 5 to 7 year period and that the primary source of funding be significant one-time revenues e.g., NESWC payments, arbitrage proceeds, etc. Furthermore, as a companion to the Committee's recommendation, we propose that a policy guiding the use of stabilization funds be developed. Generally, the policy should specify permitted uses of the fund such as the replacement of significant losses of operating revenue during economic downturns and the funding of unanticipated costs that outstrip the capacity of the Appropriation Committee's reserve fund; and, a specification of the number of years to return the fund to its target level when it is drawn down below that level."

(Staff Memo to BOS on FPC Recommendations, September 15, 2006)

General Stabilization Fund History

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Beginning Balance	\$ 7,523,979	\$ 8,376,820	\$ 8,551,561	\$ 8,744,262	\$ 8,895,689	\$ 9,056,939
Interest Earned	\$ 142,842	\$ 174,741	\$ 192,700	\$ 151,427	\$ 161,250	\$ 194,920
T.M. Appropriation	\$ 710,000	\$ -	\$ -	\$ -	\$ -	\$ -
T.M. Withdrawal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 8,376,820	\$ 8,551,561	\$ 8,744,262	\$ 8,895,689	\$ 9,056,939	\$ 9,251,859

As a Percent of General Fund Revenue

Total GF Revenue	\$ 145,783,426	\$ 152,868,740	\$ 157,667,913	\$ 163,163,128	\$ 171,252,443	\$ 180,735,132
% of GF Revenue	5.75%	5.59%	5.55%	5.45%	5.29%	5.12%

Specialized Stabilization Funds

Ending balances as of fiscal year end	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Transportation Demand Mitigation Fund	\$ 305,844	\$ 297,903	\$ 305,765	\$ 295,712	\$ 302,092	\$ 300,766
Traffic Mitigation Stabilization Fund	\$ 327,159	\$ 346,477	\$ 96,562	\$ 29,077	\$ 88,830	\$ 147,401
School Bus Stabilization Fund	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18
Special Education Stabilization Fund	\$ 1,064,210	\$ 1,067,142	\$ 1,069,456	\$ 1,071,495	\$ 1,073,638	\$ 1,078,170
Other Post Employment Benefits (OPEB)	\$ 1,560,928	\$ 2,166,697	\$ 3,069,273	\$ 4,482,338	\$ 5,798,656	\$ 7,334,848
Capital Stabilization Fund*	\$ -	\$ -	\$ 1,601,835	\$ 3,990,704	\$ 8,048,466	\$16,725,947
Center Improvement Stabilization Fund	\$ 100,746	\$ 85,983	\$ 86,169	\$ 86,334	\$ 86,506	\$ 86,872
TMOD Stabilization Fund	\$ -	\$ 10,709	\$ 10,732	\$ 10,752	\$ 10,774	\$ 98,164

Summary of Reserve Fund Transfers

FY2011-2016

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.

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Budgeted Amounts	\$950,000	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000
Reserve Fund Transfers	\$470,000	\$ 40,000	\$210,350	\$118,000	\$289,620	\$176,800
2140 - Unemployment	\$ 50,000	-	-	\$ 65,000	-	-
2160 - General Insurance	-	-	-	\$ 11,000	-	-
2400 - Public Facilities	\$400,000	-	-	-	-	-
3000 - DPW Supplies	-	-	-	\$ 17,000	-	-
3000 - DPW Wages	-	-	-	\$ 5,000	-	-
3230 - Snow Expenses	-	-	\$ 18,000	-	-	-
3230 - Snow Wages	-	-	\$189,000	-	-	-
4100 - Police Expenses	-	-	-	\$ 9,000	-	-
4100 - Police Wages	-	-	-	\$ 11,000	-	-
6000 - Social Services	\$ 20,000	-	-	-	-	-
7140 - Board of Health	-	-	-	-	\$ 11,500	-
7000 - Land Use Expenses	-	\$ 40,000	-	-	-	-
7300 - Economic Dev.	-	-	-	-	\$104,120	-
8120 - Legal	-	-	-	-	\$ 24,000	-
8530 - Elections	-	-	\$ 3,350	-	-	-
Capital	-	-	-	-	\$150,000	\$176,800

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. Lexington is on track to complete full funding of its liability by 2024.

The following table shows information concerning the Pension Liability.

	FY2012	FY2013*	FY2014	FY2015	FY2016	FY2017
Assessment	\$ 4,083,286	\$ 4,205,537	\$ 4,805,537	\$ 5,005,537	\$ 5,255,537	\$ 5,505,537
% Funded	88.8%	86.1%	78.3%	82.3%	83.7%	85.3%
Target Date for 100% Liability Funding	2020	2020	2030	2025	2025	2024

*An additional \$1,000,000 appropriated in addition to this Assessment at the 2012 Special Town Meeting

Note: FY2017 Assessment from Actuarial Valuation of the Lexington Retirement System as of January 1, 2016.

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 Laws allow 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
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
2010	\$ 737,445	\$ 1,396,285	\$ (658,840)	\$ 658,840	\$ -	\$ -
2009	\$ 646,925	\$ 2,282,115	\$ (1,635,190)	\$ 1,533,443	\$ -	\$ 101,747
2008	\$ 610,237	\$ 1,645,140	\$ (1,034,903)	\$ 537,865	\$ -	\$ 497,038
2007	\$ 610,173	\$ 759,594	\$ (149,421)	\$ 149,421	\$ -	\$ -
Total	\$ 9,036,169	\$ 15,196,245	\$ (6,160,076)	\$ 3,804,626	\$ 207,000	\$ 2,549,494
2012-2016 Average	\$ 1,088,789	\$ 1,445,755	\$ (356,966)	\$ 136,443	\$ 41,400	\$ 259,331
2007-2016 Average	\$ 903,617	\$ 1,519,624	\$ (616,008)	\$ 380,463	\$ 20,700	\$ 254,949

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	Adopted FY2017 Budget	Recommended FY2018 Budget
Community Preservation Act Revenue								
Property Surcharge	\$ 3,215,551	\$ 3,360,117	\$ 3,510,101	\$ 3,779,719	\$ 4,011,213	\$ 4,224,137	\$ 4,397,000	\$ 4,613,000
State Match	\$ 885,463	\$ 885,463	\$ 929,507	\$ 1,932,347	\$ 1,230,116	\$ 1,229,774	\$ 969,000	\$ 839,000
Investment Income	\$ 36,023	\$ 19,101	\$ 13,784	\$ 23,826	\$ 41,050	\$ 26,720	\$ 20,000	\$ 20,000
Donations/Other	\$ -	\$ -	\$ 30,297	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 4,137,037	\$ 4,264,682	\$ 4,483,689	\$ 5,735,892	\$ 5,282,379	\$ 5,480,632	\$ 5,386,000	\$ 5,472,000
Use of Community Preservation Funds								
Open Space Reserve Allocation								
Beginning balance	\$ 397,207	\$ -	\$ -	\$ 1,174	\$ 504,730	\$ 772,618	\$ 573,191	\$ 538,903
New Allocation	\$ 413,072	\$ 419,900	\$ 426,300	\$ 549,423	\$ 484,831	\$ 504,800	\$ 538,600	\$ 547,200
Close Out of Unused Project Balances	\$ -	\$ -	\$ 1,174	\$ 5,633	\$ 3,057	\$ -	\$ -	\$ -
Total	\$ 810,279	\$ 419,900	\$ 427,474	\$ 556,230	\$ 992,618	\$ 1,277,418	\$ 1,111,791	\$ 1,086,103
Appropriations for:								
Minuteman Bikeway (Art. 8(a), 2010 ATM) (1/2 appropriation, split with Unbudgeted Reserve)	\$ 160,000							
Cotton Farm Acquisition (Art 9, 2010 ATM) (\$3,587,000 appropriated with \$651,677 from the OpenSpace Reserve, \$905,323 from Undesignated Fund Balance of the CPA Fund and \$2.3 million from CPA funded debt)	\$ 651,677							
Cotton Farm Debt Service (Art. 9, 2010 ATM) (\$3,857,000 Authorization). FY12 debt service is \$1,300,604 on a \$1,297,400 bond anticipation note; residual balance of the debt service is funded from the Unbudgeted Reserve)		\$ 419,900						
Cotton Farm Debt Service - \$1,000,000 (Art. 8 (l), 2012 ATM) (remaining project balance funded from Unbudgeted Reserves)			\$ 426,300					
CPA Conservation Restriction Enforcement Funds (Art 8(b), 2013 ATM)				\$ 25,000				
Lexington Center Pocket Park Design and Ancillary Costs (Art 8(j), 2013 ATM)				\$ 21,500				
ACROSS Lexington Pedestrian/Bicycle Route System (Art 8(n), 2013 ATM)				\$ 5,000				
Art 3 STM 6/14/14 Land Acquisition - off Concord Road					\$ 220,000			
Conservation Meadow Preservation Program (Art 8(a), 2015 ATM)						\$ 26,400		
Property Purchase - 241 Grove Street (Art. 9, 2015 ATM) (Note, total acquisition costs are \$618,000 of which \$264,428 is allocated to Community Housing and \$100,545 is allocated to the Unbudgeted Reserve)						\$ 253,027		
FY16 CPA Debt Service (Art. 8(r), 2015 ATM (Note, \$1,992,400 of FY16 debt service is in the Unbudgeted Reserve)						\$ 424,800		
Wright Farm Barn Needs Assessment and Feasibility Study (Art. 8(a) 2016 ATM)							\$ 35,000	
Grain Mill Alley Design Implementation (Art. 8(o) 2016 ATM)							\$ 127,838	
FY2017 Debt Service (Art. 8(p) 2016 ATM) (Note, total FY2017 debt service is \$3,289,721 of which \$2,879,671 is allocated to the Unbudgeted Reserve)							\$ 410,050	
Cotton Farm Conservation Area Improvements (Art. 10(f) 2017 ATM)								\$ 301,300
Willard's Woods and Wright Farm Meadow Preservation (Art. 10(e) 2017 ATM)								\$ 40,480
Wright Farm Supplemental Funds (Art. 10(g) 2017 ATM)								\$ 37,900
FY2018 Debt Service (Art. 10(o) 2017 ATM) (Note, total FY2018 debt service is \$2,390,998 of which \$1,995,698 is allocated to the Unbudgeted Reserve)								\$ 395,300
subtotal - appropriations	\$ 811,677	\$ 419,900	\$ 426,300	\$ 51,500	\$ 220,000	\$ 704,227	\$ 572,888	\$ 774,980
Open Space Reserve Balance at end of fiscal year	\$ -	\$ -	\$ 1,174	\$ 504,730	\$ 772,618	\$ 573,191	\$ 538,903	\$ 311,123

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	Adopted FY2017 Budget	Recommended FY2018 Budget
Historic Resources Reserve Allocation								
Beginning balance	\$ 141,194	\$ 416,996	\$ 521,515	\$ 729,283	\$ 200,613	\$ 122,187	\$ 79,313	\$ 563,633
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
New Allocation	\$ 2,214,839	\$ 419,900	\$ 426,300	\$ 549,423	\$ 484,831	\$ 504,800	\$ 538,600	\$ 547,200
Close Out of Unused Project Balances	\$ 416,996	\$ 29,619	\$ 602,756	\$ 118,186	\$ 4,001	\$ 13,714		
Total	\$ 2,773,029	\$ 866,515	\$ 1,550,571	\$ 1,396,892	\$ 689,445	\$ 640,701	\$ 617,913	\$ 1,110,833
Appropriations for:								
<i>Cary Library Vault, Preservation Project - Archives (Art. 8(h) 2010 ATM)</i>	\$ 100,000							
<i>Building Envelope, Cary Mem. Bldng./TOB (Art. 8(k) 2010 ATM)</i>	\$ 73,000							
<i>Muzzey Senior Center Improvements Study (Art. 8(o) 2010 ATM)</i>	\$ 45,100							
<i>Cary Memorial Building/TOB HVAC Controls Upgrade (Art. 8(m) 2010 ATM)</i>	\$ 35,000							
<i>Police Station Ventilation System (Art. 8(n) 2010 ATM)</i>	\$ 31,700							
<i>White House Historic Structure Report (Art. 8(p) 2010 ATM)</i>	\$ 18,000							
<i>Stone Building Exterior Stabilization (Art.8(q) 2010 ATM)</i>	\$ 202,933							
<i>Town Office Building Renovation (Art. 8(l) 2010 ATM)</i>	\$ 1,185,000							
<i>Cary Memorial Building - Venue Improvements Study (Art.8(i) 2010 ATM)</i>	\$ 60,000							
<i>Archives and Records Management/Records Conservation (Art.8 (g) 2010 ATM)</i>	\$ 150,000							
<i>Cary Memorial Building Signage (Art.8(j) 2010 ATM)</i>	\$ 25,000							
<i>Munroe Tavern Capital Improvements (Art.(r)2010 ATM)</i>	\$ 400,000							
<i>Battle Green Master Plan Study (Art.8(t) 2010 ATM)</i>	\$ 25,000							
<i>Cultural Resources Study - Supplemental Appropriation (Art.8(s) 2010 ATM)</i>	\$ 5,300							
<i>Archive Record Management & Conservation (Art. 8(a) 2011 ATM)</i>		\$ 150,000						
<i>East Lexington Fire Equipment Doors Replacement (Art.8(b) 2011 ATM)</i>		\$ 60,000						
<i>Battle Green Monument Restoration (Art. 8(e) 2011 ATM)</i>		\$ 50,000						
<i>Battle Green Master Plan Implementation (Art.8(f) 2011 ATM)</i>		\$ 50,000						
<i>Cary Library Vault, Preservation Project - Archives (Supplemental Appropriation) (Art. 7(a), November 14, 2011 STM)</i>		\$ 35,000						
<i>Archive Record Management & Conservation (Art. 8 (a), 2012 ATM)</i>			\$ 150,000					
<i>Paint Mine Barn Preservation (Art. 8 (b), 2012 ATM)</i>			\$ 34,770					
<i>Muzzey Senior Center Upgrades (Art. 8 (c), 2012 ATM)</i>			\$ 561,518					
<i>Cary Memorial Building Upgrades - \$550,000 (Art. 8 (d), 2012 ATM) (remaining project balance funded from Unbudgeted Reserves)</i>			\$ 75,000					
<i>Archives and Records Management/Conservation (Art.8(a) 2013 ATM)</i>				\$ 20,000				
<i>Buckman Tavern Restoration and Renovation (Total cost is \$650,000; residual balance is funded from Unbudgeted Reserves)(Art.8(o) 2013 ATM)</i>				\$ 250,000				
<i>Cary Memorial Building Upgrades (Total cost is \$550,000; residual balance is funded from Unbudgeted Reserves)(Art.8(c) 2013 ATM)</i>				\$ 314,523				
<i>Merriam Hill Preservation Project (Art.8(j) 2013 ATM)</i>				\$ 3,000				
<i>Moon Hill National Register Nomination Project (Art.8(k) 2013 ATM)</i>				\$ 6,000				
<i>Visitor Center - Design Phase (Art. 8(b) 2014 ATM) - Total Cost is \$220,608 of which \$161,276 is from tax levy</i>					\$ 59,332			
<i>Hastings Park Gazebo Renovations (Art. 8(c) 2014 ATM)</i>					\$ 120,000			
<i>Historical Commission Inventory Forms for Listed Buildings (Art. 8(d) 2014 ATM)</i>					\$ 35,000			
<i>Battle Green Streetscape Improvements (Art. 8(e) 2014 ATM) - Total Cost is \$90,000</i>					\$ 63,000			
<i>Art 10 6/13/14 Community Center amendment</i>					\$ 289,926			
<i>Cary Memorial Building Sidewalk Enhancements (Art. 4 March 23, 2015 STM)</i>						\$ 194,200		
<i>Parker's Revenge Site Restoration (Art. 8(b) 2015 ATM)</i>						\$ 36,790		

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	Adopted FY2017 Budget	Recommended FY2018 Budget
<i>First Parish Church Restoration - Historic Structure Report (Art. 8(c) 2015 ATM)</i>						\$ 40,000		
<i>Cary Memorial Building Records Center Shelving (Art. 8(d) 2015 ATM)</i>						\$ 75,398		
<i>Munroe Center for the Arts Window Study (Art. 8(b) 2016 ATM)</i>							\$ 30,000	
<i>Lexington Arts and Crafts Society Parson's Gallery Lighting Renovation (Art. 8(c) 2016 ATM)</i>							\$ 24,280	
<i>Stone Building Analysis (Art. 10(h) 2017 ATM)</i>								\$ 25,000
<i>Community Center Sidewalk (Art. 10(k) 2017 ATM)</i>								\$ 220,000
<i>Munroe School Window Restoration (Art. 10(i) 2017 ATM)</i>								\$ 620,000
<i>Interpretive Signage Project (Art. 10(a) 2017 ATM)</i>								\$ 38,400
<i>Parker's Revenge Interpretive and Public Education Project (Art. 10(b) 2017 ATM)</i>								\$ 41,350
subtotal - appropriations	\$ 2,356,033	\$ 345,000	\$ 821,288	\$ 1,196,279	\$ 567,258	\$ 561,388	\$ 54,280	\$ 944,750
Historic Resources Reserve Balance at end of fiscal year	\$ 416,996	\$ 521,515	\$ 729,283	\$ 200,613	\$ 122,187	\$ 79,313	\$ 563,633	\$ 166,083
Community Housing Reserve Allocation								
Beginning balance	\$ 7,289	\$ 3,533	\$ 30,001	\$ 11,796	\$ 396,587	\$ 8,102	\$ 48,473	\$ 138,823
New Allocation	\$ 1,083,840	\$ 419,900	\$ 426,300	\$ 549,423	\$ 484,831	\$ 504,800	\$ 538,600	\$ 547,200
Close Out of Unused Project Balances	\$ 3,532	\$ -	\$ 11,796	\$ 8,102	\$ -			
Total	\$ 1,094,661	\$ 423,433	\$ 468,097	\$ 569,321	\$ 881,418	\$ 512,902	\$ 587,073	\$ 686,023
Appropriations for:								
<i>Greeley Village Siding Replacement (Art.8(d) 2010 ATM)</i>	\$ 386,129							
<i>Vynebrooke Village Design Study (Art.8(e) 2010 ATM)</i>	\$ 10,000							
<i>LexHAB Purchase of 2 Properties (Art. 8(f) 2010 ATM)</i>	\$ 695,000							
<i>LexHAB - Set Aside for Housing Acquisition (Total cost is \$450,000; residual balance is funded from Unbudgeted Reserves)(Art.8(d) 2011 ATM)</i>		\$ 393,432						
<i>LexHAB - Set Aside for Housing Acquisition - \$450,000 (Art. 8 (g), 2012 ATM)</i>			\$ 450,000					
<i>Greeley Village Accessible Housing Project - \$810,673 (Art. 8 (j), 2012 ATM) (remaining project balance funded from Unbudgeted Reserves)</i>			\$ 6,301					
<i>Greeley Village Front Doors (Art. 8 (l), 2013 ATM)</i>				\$ 172,734				
<i>Vynebrooke Village Renovations (Art. 8(f) 2014 ATM)</i>					\$ 300,551			
<i>LexHAB Set-Aside funds for Development of Community Housing at the Busa Property Purchase - 241 Grove Street (Art. 9, 2015 ATM) (Note, total acquisition costs are \$618,000 of which \$253,027 is allocated to Open Space and \$100,545 is allocated to the Unbudgeted Reserve)</i>					\$ 572,764	\$ 264,428		
<i>Property Improvements - 241 Grove Street (Art. 5, December 2, 2015 STM)</i>						\$ 200,000		
<i>Keeler Farm Community Housing acquisition (Art. 8(e) 2016 ATM)</i>							\$ 185,000	
<i>Greeley Village Rear Door and Porch Preservation (Art. 8(f) 2016 ATM)</i>							\$ 263,250	
<i>Affordable Units Preservation - Pine Grove/Judge's Road (Art. 10(d) 2017 ATM)</i>								TBD
<i>Greeley Village Rear Door and Porch Supplemental Request (Art. 10(c) 2017 ATM)</i>								\$ 56,712
subtotal - appropriations	\$ 1,091,129	\$ 393,432	\$ 456,301	\$ 172,734	\$ 873,315	\$ 464,428	\$ 448,250	\$ 56,712
Community Housing Reserve Balance at end of fiscal year	\$ 3,532	\$30,001	\$11,796	\$ 396,587	\$ 8,102	\$ 48,473	\$ 138,823	\$ 629,311

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	Adopted FY2017 Budget	Recommended FY2018 Budget
Unbudgeted Reserve								
Beginning balance	NA	NA	NA	NA	NA	NA	NA	NA
New Allocation	\$ 431,557	\$ 2,939,300	\$ 3,145,607	\$ 3,845,961	\$ 3,827,886	\$ 3,533,600	\$ 3,770,200	\$ 3,830,400
Total	\$ 431,557	\$ 2,939,300	\$ 3,145,607	\$ 3,845,961	\$ 3,827,886	\$ 3,533,600	\$ 3,770,200	\$ 3,830,400
Appropriations for:								
Minuteman Bikeway (Art. 8(a), 2010 ATM) (1/2 appropriation, split with Open Space Reserve)	\$ 160,000							
Center Playfields Drainage - Implementation Phase - \$875,173 (Art. 8 (c), 2010 ATM, \$603,622 of project cost financed from undesignated fund balance)	\$ 271,551							
Cotton Farm Debt Service (Art. 9, 2010 ATM) (\$3,857,000 Authorization). FY12 debt service is \$1,300,604 on a \$1,297,400 bond anticipation note; residual balance of the debt service is funded from the Open Space Reserve)		\$ 880,704						
Busa Farm Debt Service (Art. 6, 2009 STM) (\$4,197,000 Bond Authorization). FY12 debt service is \$974,600; residual balance of the FY12 debt service to be funded with \$216,885 in free cash derived from portion of FY2010 bond premium and accrued interest attributable to issuance of Busa Farm debt in February 2010.)		\$ 757,715						
LexHAB - Set Aside for Housing Acquisition (Total cost is \$450,000; residual balance is funded from the Community Housing Reserve) (Art.8(d)2011 ATM)		\$ 56,568						
Vynebrooke Village Drainage Improvements (Art.8(i) 2011 ATM)		\$ 364,800						
FY12 Administrative Expenses (Art. 8(l) 2011 ATM)		\$ 150,000						
FY13 Administrative Expenses (Art. 8 (m), 2012 ATM)			\$ 150,000					
Center Playfields Drainage - Implementation Phase - (Art. 8 (e), 2012 ATM)			\$ 605,718					
Busa Farm Debt Service - \$930,300 (Art. 8 (k), 2012 ATM) (remaining project balance funded from Undesignated Fund Balance)			\$ 186,105					
Cotton Farm Debt Service - \$1,000,000 (Art. 8 (l), 2012 ATM) (remaining project balance funded from Open Space Reserve)			\$ 573,700					
Cary Memorial Building Upgrades - \$550,000 (Art. 8 (d), 2012 ATM) (remaining project balance funded from Historic Resources Reserve)			\$ -					
Battle Green Area Master Plan Implementation - \$143,845 (Art. 8 (f), 2012 ATM)			\$ 143,845					
Buckman Tavern Historic Structure Report/Restoration Plans - \$65,000 (Art. 8 (h), 2012 ATM)			\$ 65,000					
Historical Society-Historic Records Preservation - \$77,268 (Art. 8 (i), 2012 ATM)			\$ 77,268					
Greeley Village Accessible Housing Project - \$810,673 (Art. 8 (j), 2012 ATM) (remaining project balance funded from Community Housing Reserve)			\$ 804,372					
Land Acquisition (Wright Farm - \$122,000 (Art. 9(a), 2012 ATM)			\$ 122,000					
Land Acquisition (Wright Farm - \$37,000 (Art. 9(b), 2012 ATM)			\$ 37,000					
Buckman Tavern Restoration and Renovation (Total cost is \$650,000; remaining				\$ 400,000				
Cary Memorial Building Upgrades (Total cost is \$550,000; remaining balance is funded from Historic Resources Reserve)(Art.8(c) 2013 ATM)				\$ 235,477				
Lincoln Park Field Improvements (Art. 8 (h), 2013 ATM)				\$ 150,000				
Park and Playground Improvements (Art. 8 (f), 2013 ATM)				\$ 147,500				
Park Improvements - Athletic Fields (Art. 8 (g), 2013 ATM)				\$ 65,000				
Administrative Budget (Art. 8 (g), 2013 ATM)				\$ 150,000				
Marrett Road - Short Term Debt Service and Issuance Costs (Art.2(b), March 18, 2013 STM)			\$ 115,000					
Marrett Road - Ancillary Costs (Art.2(c), March 18, 2013 STM)			\$ 147,500					
Wright Farm Debt Service (Art. 8 (p), 2013 ATM)				\$ 36,875				

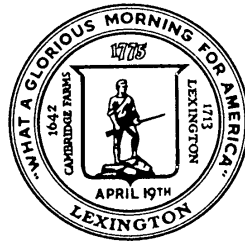
APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	Adopted FY2017 Budget	Recommended FY2018 Budget
Marrett Road Design and Engineering - Code Compliance and Future Improvements (Art. 14(n), 2013 ATM)				\$ 100,000				
Community Center Renovations (Art. 4, 11/4/2013 STM as amended at the 3/24/2014 STM) - (Total Cost is \$6,320,000 comprised of the following: Undesignated Fund Balance of the CPA Fund (\$2,135,041); residual balance funded from Historic Resources Reserve (\$650,034), Balance of Unbudgeted Reserve as of 3/13/14 (\$2,561,109) and General Fund Unreserved Fund Balance (\$422,816) and CPA-funded Debt Financing(\$551,000)). Note: \$100,000 of cost is for sidewalk construction which is to be funded under Art. 8(a) of the 2014 ATM with funds from the allocation to Unbudgeted Reserve as of 7/1/14)				\$ 2,561,109				
LexHAB Set-Aside funds for Development of Community Housing at the Busa Property - (Total cost is \$750,000; residual balance is funded from Community Housing Reserve) (Art. 8(g) 2014 ATM)					\$ 177,236			
Lincoln Park Field Improvements (Art. 8(h), 2014 ATM) - (Total Cost is \$620,000; residual balance funded from General Fund Unreserved Fund Balance (\$231,000) and Recreation Retained Earnings (\$189,000))					\$ 200,000			
Park and Playground Improvements (Art. 8(i) 2014 ATM)					\$ 65,000			
Park Improvements - Athletic Fields (Art. 8(j) 2014 ATM)					\$ 100,000			
Park Improvements - Hard Court Resurfacing (Art. 8(k) 2014 ATM)					\$ 85,000			
Parker Meadow Accessible Trail D & E (Art. 8(l) 2014 ATM)					\$ 34,500			
CPA Debt Service (Art. 8(m) 2014 ATM) (Does not include potential debt service on short term debt for proposed Cary Memorial Hall renovations and for supplemental funding for Community Center Improvements)					\$ 1,600,807			
Administrative Budget (Art. 8(n) 2014 ATM)					\$ 150,000			
Art 10 6/13/14 Community Center Amendment					\$ 834,344			
Park Improvements - Athletic Fields (Art. 8(j) 2015 ATM)						\$ 85,000		
Park and Playground Improvements (Art. 8(i) 2015 ATM)						\$ 68,000		
Park and Playground ADA Accessibility Study (Art. 8(k) 2015 ATM)						\$ 78,000		
Park Improvements - Hard Court Resurfacing (Art. 8(l) 2015 ATM)						\$ 55,000		
Lincoln Park Field Improvements (Art. 8(m) 2015 ATM)						\$ 220,000		
Minuteman Bikeway Culvert Rehabilitation (Art. 8(n) 2015 ATM)						\$ 290,000		
Grain Mill Alley Design Funds (Art. 8(o) 2015 ATM)						\$ 18,000		
Minuteman Bikeway Wayfinding Signs (Art. 8(p) 2015 ATM)						\$ 39,000		
Lower Vine Brook Paved Recreation Path Reconstruction (Art. 8(q) 2015 ATM)						\$ 369,813		
Property Purchase - 241 Grove Street (Art. 9, 2015 ATM) (Note, total acquisition costs are \$618,000 of which \$264,428 is allocated to Community Housing and \$253,027 is allocated to Open Space)						\$ 100,545		
FY16 CPA Debt Service (Art. (r), 2015 ATM) (Note, \$424,800 of FY16 debt service for the purchase of Wright Farm Parcel I is in Open Space)						\$ 1,992,400		
Administrative Budget (Art. 8 (s), 2015 ATM)						\$ 150,000		
Antony Park Construction - Design (Art. 8 (h), 2016 ATM)							\$ 60,000	
Minuteman Bikeway Wayfinding Signs Implementation (Art. 8 (i), 2016 ATM)							\$ 120,000	
Town Pool Renovation Design and Engineering (Art. 8 (j), 2016 ATM)							\$ 166,000	
Park Improvements – Hard Court Resurfacing (Art. 8 (k), 2016 ATM)							\$ 61,000	
Granite Forest Pocket Park Construction at Lincoln Park (Art. 8 (l), 2016 ATM)							\$ 30,000	
Park Improvements – Athletic Fields (Art. 8 (m), 2016 ATM)							\$ 120,000	
Park and Playground Improvements (Art. 8 (n), 2016 ATM)							\$ 75,000	
FY2017 Debt Service (Art. 8(p) 2016 ATM) (Note, total FY2017 debt service is \$3,289,721 of which \$410,050 is allocated to the Open Space Reserve)							\$ 2,879,671	

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	Adopted FY2017 Budget	Recommended FY2018 Budget
<i>Administrative Budget (Art. 8 (q), 2016 ATM)</i>							\$ 150,000	
<i>Park and Playground Improvements (Art. 10(n) 2017 ATM)</i>								\$ 60,000
<i>Park Improvements - Athletic Fields (Art. 10(l) 2017 ATM)</i>								\$ 125,000
<i>Administrative Budget (Art. 10(p) 2017 ATM)</i>								\$ 150,000
<i>FY2018 Debt Service (Art. 10(o) 2017 ATM) (Note, total FY2018 debt service is \$2,390,998 of which \$395,300 is allocated to Open Space)</i>								\$ 1,995,698
subtotal - appropriations	\$ 431,551	\$ 2,209,787	\$ 3,027,508	\$ 3,845,961	\$ 3,246,887	\$ 3,465,758	\$ 3,661,671	\$ 2,330,698
Close to Year-End Surplus Available for Appropriation	\$ 6	\$ 729,513	\$ 118,099	\$ (0)	\$ 580,999	\$ 67,842	\$ 108,529	\$ 1,499,702
Appropriations from Undesignated Fund Balance (year-end surplus available for appropriation)								
<i>Busa Debt Service (Art. 6, 2009 STM) (\$4,197,000 Bond Authorization)</i>	\$ 2,562,100							
<i>Stormwater Mitigation Old Res./Marrett Road (Art. 8(b) 2010 ATM)</i>	\$ 190,047							
<i>Center Playfields Drainage - Implementation Phase - \$875,173 (Art. 8(c), 2010 ATM, \$271,551 of project cost financed from Unbudgeted Reserves)</i>	\$ 603,622							
<i>FY2011 Administrative Expenses (Art.8(v) 2010 ATM)</i>	\$ 150,000							
<i>Busa Acquisition - Unanticipated Legal and Other Costs (Art. 5a, November 15, 2010 STM)</i>	\$ 24,000							
<i>Cotton Farm Acquisition (Art 9, 2010 ATM) (\$3,587,000 appropriated with \$651,677 from the OpenSpace Reserve, \$905,323 from Undesignated Fund Balance of the CPA Fund and \$2.3 million from CPA funded debt)</i>	\$ 905,323							
<i>Cotton Farm Acquisition - Unanticipated Legal and Other Costs (Art. 5b, November 15, 2010 STM)</i>	\$ 49,000							
<i>Center Playfields Drainage (Art. 8(f)2011 ATM)</i>		\$ 911,863						
<i>Busa Farm Debt Service - \$930,300 (Art. 8 (k), 2012 ATM) (remaining project balance funded from Unbudgeted Reserves)</i>			\$ 744,195					
<i>Community Center Renovations (Art. 4, 11/4/2013 STM as amended at the 3/24/2014 STM) - (Total Cost is \$6,320,000 comprised of the following: Undesignated Fund Balance of the CPA Fund (\$2,135,041); residual balance funded from Historic Resources Reserve (\$650,034), Balance of Unbudgeted Reserve as of 3/13/14 (\$2,561,109) and General Fund Unreserved Fund Balance (\$422,816) and CPA-funded Debt Financing(\$551,000)). Note: \$100,000 of cost is for sidewalk construction which is to be funded under Art. 8(a) of the 2014 ATM with funds from the allocation to Unbudgeted Reserve as of 7/1/14)</i>				\$ 2,135,041				
<i>Supplemental Appropriation to FY15 CPA Debt Service - Cary Memorial Bldg, financing (Art. 30, 2015 ATM)</i>				\$ 2,135,042		\$ 1,000,960		
<i>Supplemental Appropriation to FY17 CPA Debt Service - Community Center, financing (Art. 6, 2016 STM #5)</i>							\$ 40,000	
<i>Town Pool Renovation (Art. 10(m) 2017 ATM)</i>								\$ 1,620,000
Total	\$ 4,484,092	\$ 911,863	\$ 744,195	\$ 2,135,041	\$ -	\$ 1,000,960	\$ 40,000	\$ 1,620,000
Total Appropriations	\$ 8,196,159	\$ 4,279,982	\$ 5,475,592	\$ 7,401,515	\$ 4,907,460	\$ 6,196,761	\$ 4,777,089	\$ 5,727,140

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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 the 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 is the one that 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 three 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.

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 Board of Selectmen establish the length of a bond repayment.

BOND ANTICIPATION NOTE (BAN) – 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 Board of Selectmen, 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 through the Transportation Bond Issue 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 on 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 reimbursement is a function of the State budget. Towns usually receive notification in late summer, subsequent to the beginning of the fiscal year.

COMMUNITY PRESERVATION ACT (CPA) – is 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 2006 to 28% in 2016.

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 Board of Selectmen (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 2-1/2 levy limit for the payment of debt service costs, subject to a popular referendum. Two-thirds of the Selectmen 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.

EFFICIENCY MEASURES – Indicate how well resources are being used. They include cost-per-unit and productivity indicators.

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 G.F.O.A. 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 school department charges for services, investment income, fines and forfeitures, building permits and excise taxes. These revenues are not considered part of the Proposition 2 ½ Tax Levy.

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 2 ½ 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.

OPERATING BUDGET – The portion of the budget that pertains to daily operations, which provide 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.

OTHER EXCISE (Hotel/Motel and Jet Fuel) - Lexington hotels and motels charge an 11.7% room tax to guests in accordance with local option legislation. The Town of Lexington receives 6% of this tax in semi-annual installments (See page 12 of the Revenue Section).

OTHER FEES AND CHARGES - Revenue is received from fees or charges by the Inspectional Services, Engineering 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.

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 2 ½. 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.

PARKING METER FUNDS - 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.

PERFORMANCE MEASURES – Specific quantitative and qualitative measures of work performed as an objective of the department. Performance Measurement Systems are generally comprised of the following indicators: workload measures, efficiency measures and outcome measures.

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**.

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.

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.

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.

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 eleven 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 and Cemetery 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 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 Fund, Other Post Employment Benefits (OPEB) Fund, and the Capital Projects/Debt Service/Building Renewal Fund.

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 Board of Selectmen 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 \$10 and a property's assessed value is \$100,000, the property owner will pay \$10 times \$100,000/1,000, or \$1,000. Tax levy revenues are the largest source of funding for the Town.

TAX LEVY LIMIT - The maximum amount that can be raised by a municipality within Proposition 2 ½.

TAX RATE - The amount of tax levied for each \$1,000 of assessed valuation.

USER FEES - Fees paid for direct receipt of a public service by the user or beneficiary of the service.