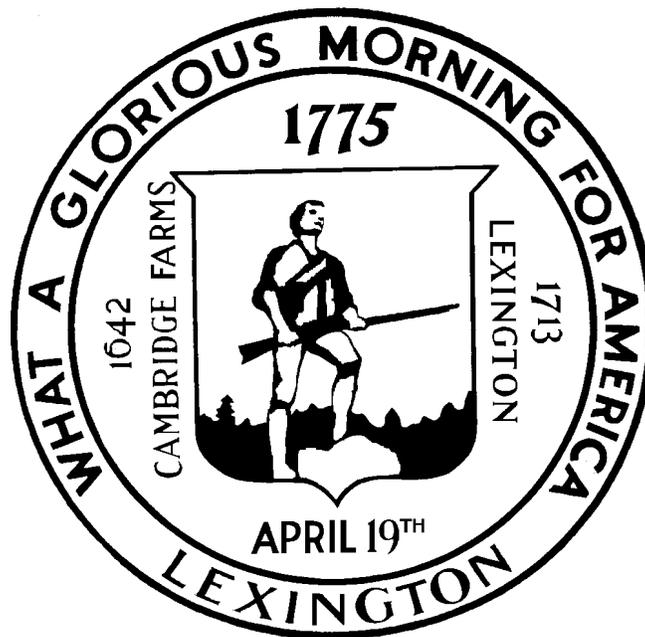


TOWN OF LEXINGTON, MASSACHUSETTS



**FISCAL YEAR 2012
RECOMMENDED BUDGET &
FINANCING PLAN
FEBRUARY 28, 2011**

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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, 2011 to June 30, 2012.

Budget-In-Brief

Report of the Town Manager

The Budget Message provides an overview of the operating and capital budget, identifies significant budget issues, and explains the Town Manager's rationale for budget recommendations.

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Town of Lexington
Town Manager's Office

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February 28, 2011

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

The Board of Selectmen has approved the FY2012 Recommended Budget and Financing Plan and, on February 22, 2011, 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 the Board of Selectmen to submit its proposed budget for the upcoming Fiscal Year four weeks prior to the date when the Annual Town Meeting is scheduled to consider it.

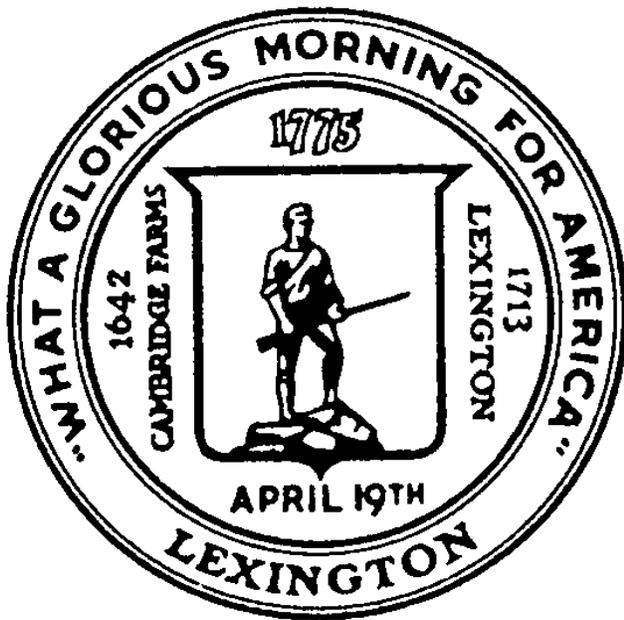
As I conclude my sixth budget for the Town of Lexington, I want to acknowledge the many boards and committees, staff and citizens who participated in this process. Singling out specific individuals to thank would diminish what was a team effort. The diversity of opinion, commitment to problem solving,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

Sincerely,

Carl F. Valente

Carl F. Valente
Town Manager

Report of the Town Manager



FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

REPORT OF THE TOWN MANAGER

The fiscal year 2012 general fund budget totals \$152,709,711, an increase of \$5,838,692 or 3.98 percent over the fiscal year 2011 adopted budget. The recommended budget is balanced and will not require a Proposition 2 ½ override vote. The Board of Selectmen has approved this FY2012 Recommended Budget and Financing Plan and voted to transmit it to Town Meeting for consideration.

Overview of the FY2012 Recommended Budget and Financing Plan

The Board of Selectmen held the first of five financial summits with the School Committee, Appropriation Committee and Capital Expenditures Committee on October 6, 2010 to begin working on the fiscal year 2012 budget. Following the fifth and final financial summit, the Board of Selectmen approved the FY2012 recommended budget on February 22, 2011.

Given the continuing difficult national and regional economic conditions, the Board of Selectmen early on established a goal of presenting a budget for FY2012 that did not require a Proposition 2½ Override. With this as a priority, the Town Manager and Superintendent of Schools worked to present initial budget recommendations that were within projected FY2012 revenues. On January 10, 2011 the Town Manager presented a Preliminary Budget and Financing Plan that was out of balance by \$510,000, as a result of the School budget not being within its revenue allocation established at Summit 3. The Superintendent of Schools, however, was able to bring the School Department budget into balance by Summit 5.

This budget, being recommended to Town Meeting for adoption, includes \$697,000 in unallocated revenues, to offset anticipated State Aid reductions and the likely FY11 snow/ice removal deficit.

Table 1 provides a summary of the FY2012 General Fund budget, by cost center.

Table 1	FY2012 Budget			
	FY2011 Budget	Recommended	Change \$	Chg. %
Education	\$ 70,782,337	\$ 74,847,815	\$ 4,065,478	5.74%
Shared Expenses (<i>Public Facilities, employee/retiree benefits, pension, debt, liability insurance, Reserve Fund</i>)	\$ 45,139,304	\$ 45,724,502	\$ 585,198	1.30%
Municipal Departments	\$ 27,426,867	\$ 28,296,207	\$ 869,340	3.17%
Subtotal Operating Budget	\$ 143,348,508	\$ 148,868,524	\$ 5,520,016	3.85%
Cash Capital	\$ 1,983,112	\$ 2,382,174	\$ 399,062	20.12%
Other (<i>Appro. to reserves, misc.</i>)	\$ 1,539,399	\$ 1,459,013	\$ (80,386)	-5.22%
Total General Fund	\$ 146,871,020	\$ 152,709,711	\$ 5,838,691	3.98%
Projected Revenue	\$ 146,871,020	\$ 152,709,711	\$ 5,838,691	3.98%
Surplus/(Deficit)	\$ -	\$ 0	\$ 0	

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. Recurring revenues, not reserves or one-time revenues, should support operating expenses and debt service.
2. Debt will not be used to fund current operating expenditures.
3. Adequate reserves and contingency funds will be budgeted, consistent with the recommendations of the ad hoc Financial Policy Committee (2006) as adopted by the Board of Selectmen.
4. The use of reserves to fund operating expenses should be limited to cover temporary revenue shortfalls, consistent with the recommendations of the Selectmen's ad hoc Fiscal Task Force (2009).
5. Sufficient funds for building maintenance will be budgeted to properly maintain facilities and equipment as well as foster energy conservation.
6. One-time revenue use should be limited to funding one-time expenses (e.g., capital projects) or used to fund reserve accounts.
7. The core services currently provided through the operating and capital budgets should be maintained, recognizing that changes in service demands may require additional resources be provided in certain areas.
8. The core services and staffing that were restored by the voters with the passage of Question 1 (street improvements) of the May 2000 Proposition 2½ override, Questions 3 and 4 (municipal services and municipal/school facility maintenance) of the June 2006 Proposition 2½ override and Question 1 (education programs) of the June 2007 Proposition 2½ override should be maintained.
9. Efforts to avoid excessive increases in Health Insurance costs will continue.
10. Additional resources will be provided for road, intersection, traffic calming and sidewalk improvements.

The FY2012 Budget in Brief: Financing Plan, Expenditures, Reserves

While the Town's FY2012 operating budget has many complexities, certain matters deserve specific attention:

I. Financing Plan:

a. Revenue Allocation Model: It has been the Town's practice to share Town revenues between the municipal departments and School Department. 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, projected revenues are allocated, on a preliminary basis, such that after shared expenses are funded, 71.6 percent of all general fund revenues are allocated to the School Department and 28.4 percent are allocated to the municipal departments.

b. Revenue Projection: In FY2012, General Fund revenues are projected to

FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

increase by \$5.8 million or 4 percent. By way of comparison, budgeted revenue growth in recent years has been:

- FY11: 3.9 percent
- FY10: 4.0 percent
- FY09: 5.8 percent

Table 2 provides a summary of the major revenue sources that fund the operating budget.

Table 2	FY2011 Tax Recap	FY2012 Projected	Change \$	Chg. %
Property Tax Revenue	\$ 122,202,173	\$ 127,116,128	\$ 4,913,955	4.0%
State Aid	\$ 8,508,839	\$ 8,508,839	\$ -	0.0%
Local Receipts	\$ 9,392,450	\$ 9,773,634	\$ 381,184	4.1%
Available Funds	\$ 6,838,842	\$ 7,712,670	\$ 873,828	12.8%
Revenue Offsets	\$ (1,687,257)	\$ (1,966,001)	\$ (278,744)	16.5%
Enterprise Receipts	\$ 1,615,973	\$ 1,564,441	\$ (51,532)	-3.2%
Gross General Fund Revenues	\$ 146,871,020	\$ 152,709,711	\$ 5,838,691	4.0%
Less - Revenue Set-Aside for Designated Expenses	\$ 3,522,511	\$ 3,841,187	\$ 318,676	9.0%
Net General Fund Revenues	\$ 143,348,509	\$ 148,868,524	\$ 5,520,015	3.9%

c. Revenue Sources: The property tax remains the Town's primary revenue source, comprising 83 percent of total revenues. Residential property values make up 87.2 percent of the total assessed value in Lexington. Residential property owners, however, currently pay only 78.3 percent of total property taxes, as a result of the tax classification model adopted by the Board of Selectmen. Due to the development along the Spring Street/Hayden Avenue commercial corridor this past year (Shire and Cubist properties), there has been a slight shift in the Town's tax levy, with commercial and industrial property owners contributing slightly more towards the Town's overall tax burden, as shown below. The Selectmen reconsider the tax shift every year.

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	Override Year
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

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

State Aid, which is estimated at 5.5 percent of total revenues, is also an important source of revenue. As recently as FY2008, however, State Aid was 7 percent of total revenues. Due to the difficult national and State economies and sharply declining tax revenue, the Legislature reduced State Aid in FY2011 from the prior year. The Legislature will not likely vote a fiscal year 2012 State budget until after the close of Town Meeting. This revenue projection assumes that any reduction in FY2012 State Aid will be made up by the use of revenues unallocated in this proposed budget (\$697,000).

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

Table 5	FY2009	FY2010	FY2011 Estimated	FY2012 Projected
Chapter 70-Education Unrestricted	\$ 6,801,698	\$ 7,479,851	\$ 7,032,577	\$ 7,032,577
Education Aid Restricted	\$ 19,986	\$ 20,744	\$ 17,758	\$ 17,758
General Government Unrestricted	\$ 1,987,789	\$ 1,566,693	\$ 1,422,414	\$ 1,422,414
General Government Restricted	\$ 44,571	\$ 34,268	\$ 36,090	\$ 36,090
Total	\$ 8,854,044	\$ 9,101,556	\$ 8,508,839	\$ 8,508,839
\$ Change from Prior Year	\$ (254,191)	\$ 247,512	\$ (592,717)	\$ -
% Change from Prior Year	-2.8%	2.8%	-6.5%	0.0%

II. Expenditures:

Budget highlights include:

- a. **Lexington Public Schools:** The FY2012 School Department appropriated budget (net of grants and other receipts) is increasing by 5.63 percent. The Minuteman Regional High School budget (included in Education in Table 1) is increasing by 15 percent as a result of increasing enrollments.
- b. **Municipal Departments:** The municipal budget is increasing by 3.13 percent, which includes an additional \$100,000 to more adequately budget for snow/ice removal. Without the increase in snow/ice removal, the municipal budget is increasing by 2.8 percent.
- c. **Health Insurance for Employees and Retirees:** Overall, the estimated premiums for the Town's Blue Cross and Harvard Pilgrim products are increasing at a projected 9 percent or \$1,930,000. For FY2012, the Town will contribute 80 percent towards the health insurance premium for employees, a decrease of 2.5 percent from FY2011 levels. The FY2012 appropriated budget, however, only reflects an increase of \$131,000 or .6 percent because of savings in the FY2011 health insurance program negotiated with employees that were not reflected in the budget and the application of \$549,000 in federal EdJobs funding to this line-item.

FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

In addition to the projected premium increase, the Town is also budgeting for 3.6 new school department positions, 3 new Facilities Department positions, and 3 new municipal positions. This budget also provides for an estimated 55 employees/retirees not currently enrolled in the Town's health plan, converting from individual to family plans and for newly retired employees. Lastly, the health insurance budget reflects \$82,500 in savings by reducing the number of benefit eligible positions as a result of the School Department combining 22 part-time positions into 11 full-time positions.

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

Table 6	Employees/Retirees Enrolled in Town's Health Insurance Program				
	Municipal Employees	School Employees	Total Employees	Retirees	Total
2008	256	834	1090	976	2066
2009	267	859	1126	991	2117
2010	264	847	1111	1000	2111
2011	271	827	1098	1014	2112

Note: Data as of November of each fiscal year

The Town's health insurance benefits program is subject to bargaining between the Town and the Employee Health Insurance Coalition. The Coalition is comprised of one representative from each municipal and School collective bargaining unit, one retiree representative and three non-voting non-union employees. The Town Manager is required to negotiate with the Coalition to make any change to health or dental insurance benefits. A 70 percent weighted vote of the Coalition is needed to approve any change, as is a majority vote of the Board of Selectmen.

The Town Manager recently concluded negotiations with the Employee Health Insurance Coalition to modify the Town's health insurance program. In FY11, as a result of negotiations, doctor visits and prescription medication co-pays were increased by a modest amount, a \$250 co-pay was added to in-patient hospitalizations and the Town's contribution percentage to the Blue Cross Network Blue plan and Harvard-Pilgrim plan decreased from 85 to 82.5 percent. In FY2012 this contribution rate will decrease further to 80 percent. Over the two-year period of this Coalition agreement, the Town's net savings from these changes are expected to be approximately \$1,300,000.

It is anticipated that, in the absence of additional changes in the Town's health insurance program, future budgets will reflect unsustainable increases at a rate far greater than the overall increase in the Consumer Price Index, given the nature of health care costs and the increasing age of covered employees and retirees.

- d. Utilities/Fuel: Utility costs for FY2012 are expected to decrease by \$90,000 or

FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

2.6 percent, due to favorable long-term energy contracts and, more importantly, the progress made by the Facilities Department to improve the energy efficiency of the Town and School buildings. The budgets for electricity and natural gas are projected to decrease in FY2012 while the budget for heating oil and gasoline/diesel fuel is projected to increase. The Town participates in a regional purchasing consortium for gasoline/diesel and heating oil and has long-term contracts for the purchase of natural gas and electricity. These arrangements provide competitive prices and budget stability for the Town. In FY2009, the Town increased its Reserve Fund by \$100,000 for unanticipated increases in fuel costs that can occur from time to time. The use of the Reserve Fund in FY2012 will likely be necessary for this purpose, given recent energy trends.

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

Table 7	FY 2009 Actual	FY 2010 Actual	FY 2011 Budget	FY2012 Recommended	FY11-12 Change \$	FY11-12 Change %
Electricity	\$ 1,883,859	\$ 2,054,778	\$ 1,909,288	\$ 1,755,982	\$ (153,306)	-8.03%
Heating Oil	\$ 623,608	\$ 285,168	\$ 255,150	\$ 278,689	\$ 23,539	9.23%
Natural Gas	\$ 708,368	\$ 866,625	\$ 973,824	\$ 966,461	\$ (7,363)	-0.76%
Diesel/Gasoline	\$ 446,473	\$ 274,400	\$ 352,064	\$ 399,039	\$ 46,975	13.34%
Total	\$ 3,662,308	\$ 3,480,971	\$ 3,490,326	\$ 3,400,171	\$ (90,155)	-2.58%

- III. **Reserves:** Following the downturn in the economy in the 2001-2003 period, the Board of Selectmen became increasingly concerned about the Town's lack of financial reserves to bridge the budget gap that results when a recession occurs. In addition, Lexington had not been building reserves to fund its unfunded liabilities (e.g., post employment health benefits), and this could reduce flexibility in managing the 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. This Committee's recommendations may be found on the Town's website <http://www.lexingtonma.gov/finance/adhocfinrept031506.pdf>. The resulting policy recommendations adopted by the Selectmen called for rebuilding financial reserves and addressing the Town's unfunded liabilities over a multi-year period.

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

Table 8	Stabilization Fund	Special Education Stabilization Fund	Other Post Employment Benefits Trust Fund ⁽¹⁾
Current Balance, February 1, 2011	\$ 8,311,000	\$ 1,063,000	\$ 1,485,000
Proposed Increase	\$ -	\$ -	\$ 500,000
Projected Balance, July 1, 2011	\$ 8,311,000	\$ 1,063,000	\$ 1,985,000

⁽¹⁾ Reflects 12/31/2010 Market Value

The Town's goal has been to build the Stabilization fund to a level of seven percent of General Fund revenues (\$9 to \$9.5 million), an amount considered sufficient to make up three years of revenue shortfalls that typically occur during an economic slowdown. Even with the three years of the economic downturn, with conservative

FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

budget policies and commercial growth in the tax base, the Town has been fortunate in not having to draw on its Stabilization Fund. On a further positive note, for the fourth consecutive year, the budget includes a recommendation to set aside funds for post-employment benefits (i.e., retiree health care). The Town's unfunded liability for this retiree benefit is approximately \$100 million, if funded over a 30-year funding period.

The FY2012 Capital Budget: Financing Infrastructure and Equipment

I. Proposed Capital Spending:

The recommended Capital Budget will provide for replacement and improvements to Town buildings, infrastructure and equipment. Time has proven that deferring capital improvements results in higher repair and replacement costs in the future. Warrant Articles 8-13 represent the capital portion of this year's budget. For fiscal year 2012, a total capital budget of \$12.45 million is proposed.

Table 9 provides a summary of the Town's capital plan for FY2012.

Table 9	General / Revolving Fund Projects	Water Projects	Sewer Projects	Recreation Projects	Town CPA Projects	Other Projects	Total
Debt Financing Cash/Tax Levy	\$ 6,200,678	\$ 120,100	\$ 1,300,000	\$ -	\$ -		\$ 7,620,778
Financing	\$ 2,499,174	\$ 25,000	\$ -	\$ 165,000	\$ 1,251,863	\$ 891,000	\$ 4,832,037
Total	\$ 8,699,852	\$ 145,100	\$ 1,300,000	\$ 165,000	\$ 1,251,863	\$ 891,000	\$ 12,452,815

This capital budget is consistent with the recommendations of the Selectmen's ad hoc Fiscal Task Force. The Task Force suggested that, given the favorable bidding environment and low interest rates, the Town continue to make progress with the backlog of capital projects. To this end, the General Fund portion of the capital budget recommends a \$399,000 increase over FY2011 levels for projects funded through free cash and the tax levy.

II. Debt/Debt Service:

The Town of Lexington has maintained a Aaa credit rating for a number of years. Moody's Investors Service recently reaffirmed this credit rating in February 2011 when the Town issued \$4.7 million in long-term debt that sold at a 2.05 percent interest rate. In its credit rating opinion, Moody's states that, "The Aaa rating reflects the Town's sizeable and stable tax base with wealth and income levels that exceed Commonwealth and national medians, the Town's healthy financial position and affordable debt burden." The 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 27 Massachusetts' cities and towns maintain the Aaa rating.

Table 10 provides an historical summary of the Town's debt service. More detailed debt service schedules can be found in Section 11 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.

FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

Table 10 Annual Debt Service	FY2008 Actual	FY2009 Actual	FY2010 Actual	FY 2011 Budgeted	FY2012 Projected
General Fund	\$ 3,572,204	\$ 3,846,702	\$ 4,256,097	\$ 4,669,173	\$ 5,002,110
Prop 2 1/2 Excluded	\$ 5,372,874	\$ 5,632,643	\$ 5,746,375	\$ 5,753,550	\$ 5,666,223
Water	\$ 358,301	\$ 757,247	\$ 1,074,551	\$ 1,193,333	\$ 1,202,906
Sewer	\$ 473,256	\$ 488,135	\$ 575,357	\$ 651,446	\$ 683,223
Recreation	\$ 100,168	\$ 101,227	\$ 138,100	\$ 137,200	\$ 131,500
Total Debt Service	\$ 9,876,803	\$ 10,825,954	\$ 11,790,480	\$ 12,404,702	\$ 12,685,962
Gross Revenues	\$ 152,344,315	\$ 157,423,868	\$ 164,093,822	\$ 169,743,424	\$ 171,412,228
Debt Serv. % of Revenue	6.48%	6.88%	7.19%	7.31%	7.40%

History of Proposition 2 ½ Overrides and Debt Exclusions in Lexington

The FY2012 budget, as presented, has been balanced without a Proposition 2 ½ Override. Below is a history of Overrides and Debt Exclusions election results in Lexington:

NR: none requested

<u>Fiscal Year</u>	<u>Override</u>	<u>Debt Exclusion</u>
2012	NR	NR
2011	NR	NR
2010	NR	NR
2009	NR	NR
2008 - approved	\$4,636,987	\$27,500,000 (Public Services Building)
2007 - approved	\$1,858,435	NR
2007 – <i>not approved</i>	\$3,166,166	NR
2006	NR	NR
2005 - approved	\$4,224,340	NR
2004 - <i>not approved</i>	\$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 - <i>not approved</i>	NR	\$68,200,000
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 our low income and elderly residents. The FY2012 recommended budget provides funding for the following tax relief programs:

FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

1. Senior Service Program – Qualified property owners over the age of 60 can work for the Town and receive up to \$935 per individual or \$1,190 per two-person household toward their property tax bills.
2. Property Tax Deferral-Interest Rate Reduction – As a result of 2006 State legislation, Town Meeting voted to decrease the interest rate charged for elderly residents who choose to defer payment of their property taxes. The interest rate is determined each March and is tied to the U.S. Treasury Constant Maturity Rate – 1 year. The interest rate for deferral taxes has been:
 - FY2011: 0.34 percent**
 - FY2010: 0.68 percent**
 - FY2009: 1.66 percent**
3. Property Tax Deferral-Qualifying Income Level - 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 \$51,000 qualify for this program. Consideration is being given to increase the qualifying income level for the Property Tax Deferral program (see Article 26 in the Annual Town Meeting Warrant).
4. 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 qualifying residents, to \$1,000.
5. The Town provides a 30 percent discount on water and sewer rates to qualified low-income residents.

Collective Bargaining

For FY2011 and FY2012, the Town has settled collective bargaining contracts with the Lexington Police Association, Lexington Municipal Management Association, DPW Union, Custodian's Union, Dispatchers Union and School Crossing Guards. The Library Union and Lexington Municipal Employee Association have been settled through FY2011. The Town is still negotiating with the Police Superior Officers Association and the Fire Union for the FY2010-2012 period). All School Department collective bargaining contracts, with the exception of the School Custodian's Union, have been settled through FY2012.

The budget for fiscal year 2012 includes amounts that, in the judgment of the Town Manager and Superintendent of Schools, may be required for those collective bargaining contracts yet to be settled. Town officials are very mindful of the current economic conditions and its impact on Town finances and continue to take that into account during negotiations.

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

FISCAL YEAR 2012 RECOMMENDED BUDGET AND FINANCING PLAN

report are adopted and the assumptions with respect to State aid prove reasonably accurate. Without assuming any change in assessed valuations for Fiscal Year 2012, a residential tax rate of \$14.74/\$1,000 of valuation is estimated compared to the residential tax rate of \$14.40/\$1,000 of valuation for Fiscal Year 2011.

The following table provides a summary of components of the property tax bill for a home assessed at \$599,000, which is the current median residential property value in Lexington.

MEDIAN RES. TAX BILL	FY2008	FY2009	FY2010	FY2011	FY2012
Property tax w/2.5% increase	\$7,328	\$7,515	\$7,871	\$8,238	8,444 <i>(est.)</i>
Proposition 2½ debt exclusion	378	384	390	\$388	382
Community Preservation Act surcharge	196	198	206	\$216	221
Total tax bill	\$7,902	\$8,097	\$8,467	\$8,842	\$9,047

Notes: Assumes no change in the residential/commercial tax shift.

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

Additional Information

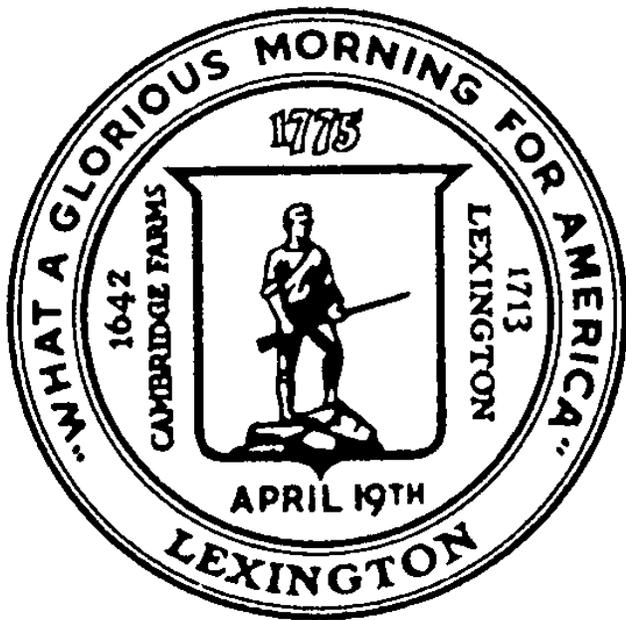
The remainder of this document provides additional information on various aspects of the Town's budget. In addition, the School Committee, Appropriation Committee and Capital Expenditures Committee will be providing separate documents, reports and recommendations. Further questions may also be directed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

Town Manager Carl Valente: 781 862-0500 ext. 296

Assistant Town Manager for Finance Rob Addelson: 781 862-0500 ext. 219

Budget Officer Micah Niemy: 781 862-0500 ext. 278

Section I: Budget Overview



Summary of Revenues & Expenditures

The summary provided below shows revenues & expenditures for the Town of Lexington FY 2009-2012. This summary reflects actual results of FY 2009 and FY2010, adjusted figures from FY 2011 and the recommendations of the Board of Selectmen for FY 2012.

Revenue Summary

	FY2009 Actual	FY2010 Actual	FY2011 Tax Recap	FY2012 Projected
Tax Levy	\$ 110,778,389	\$ 115,979,750	\$ 122,202,173	\$ 127,116,128
State Aid	\$ 8,854,044	\$ 9,101,556	\$ 8,508,839	\$ 8,508,839
Local Receipts	\$ 11,290,971	\$ 10,728,657	\$ 9,392,450	\$ 9,773,634
Available Funds	\$ 5,620,168	\$ 6,253,619	\$ 6,838,842	\$ 7,712,670
Revenue Offsets	\$ (2,540,476)	\$ (1,713,630)	\$ (1,687,257)	\$ (1,966,001)
Enterprise Funds (Indirect)	\$ 1,710,887	\$ 1,662,522	\$ 1,615,973	\$ 1,564,441
Total General Fund	\$ 135,713,982	\$ 142,012,474	\$ 146,871,020	\$ 152,709,711

General Fund Expense Summary

Education				
Lexington Public Schools	\$ 63,829,348	\$ 65,017,437	\$ 69,243,526	\$ 73,144,885
Minuteman Reg. School	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930
<i>sub-total Education</i>	<i>\$ 65,339,946</i>	<i>\$ 66,728,991</i>	<i>\$ 70,782,337</i>	<i>\$ 74,847,815</i>
Municipal	\$ 26,141,071	\$ 26,014,015	\$ 27,426,867	\$ 28,296,207
Shared Expenses				
Benefits & Insurance	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424
Debt (within-levy)	\$ 3,801,365	\$ 4,256,097	\$ 4,669,172	\$ 5,002,111
Reserve Fund	\$ -	\$ -	\$ 950,000	\$ 550,000
Facilities	\$ 8,698,435	\$ 8,763,578	\$ 9,347,225	\$ 9,237,967
<i>sub-total Shared Expenses</i>	<i>\$ 36,895,935</i>	<i>\$ 40,176,834</i>	<i>\$ 45,139,304</i>	<i>\$ 45,724,502</i>
Capital				
Cash Capital	\$ 1,520,750	\$ 1,518,169	\$ 1,983,112	\$ 2,382,174
<i>sub-total Capital</i>	<i>\$ 1,520,750</i>	<i>\$ 1,518,169</i>	<i>\$ 1,983,112</i>	<i>\$ 2,382,174</i>
Other				
Stabilization Fund	\$ 1,000,000	\$ 669,843	\$ 710,000	\$ -
Other	\$ 495,000	\$ 835,690	\$ 829,399	\$ 1,459,013
<i>sub-total Other</i>	<i>\$ 1,495,000</i>	<i>\$ 1,505,533</i>	<i>\$ 1,539,399</i>	<i>\$ 1,459,013</i>
Total General Fund	\$ 131,392,702	\$ 135,943,542	\$ 146,871,019	\$ 152,709,711

Surplus/(Deficit)	\$ 4,321,281	\$ 6,068,932	\$ 0	\$ 0
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Other Expenses				
Revolving Funds	\$ 2,057,049	\$ 2,151,843	\$ 2,458,531	\$ 2,571,183
Grants	\$ 119,874	\$ 116,122	\$ 124,073	\$ 124,073
CPA	\$ 5,432,787	\$ 2,818,448	\$ 8,346,159	\$ 4,698,897
Enterprise Funds (Direct)				
Water	\$ 7,189,052	\$ 7,241,303	\$ 7,712,934	\$ 7,945,444
Wastewater (Sewer)	\$ 7,643,649	\$ 8,088,208	\$ 8,331,319	\$ 8,802,085
Recreation	\$ 1,701,807	\$ 1,840,057	\$ 1,924,601	\$ 1,954,988
Cash Capital	\$ 85,035	\$ 111,000	\$ 90,000	\$ 190,000
<i>sub-total Enterprise Funds</i>	<i>\$ 16,619,543</i>	<i>\$ 17,280,568</i>	<i>\$ 18,058,854</i>	<i>\$ 18,892,517</i>
Exempt Debt				
Municipal	\$ 2,551,420	\$ 2,853,441	\$ 2,990,031	\$ 2,811,830
School	\$ 3,081,223	\$ 2,892,934	\$ 2,763,519	\$ 2,854,393
<i>sub-total Exempt Debt</i>	<i>\$ 5,632,643</i>	<i>\$ 5,746,375</i>	<i>\$ 5,753,550</i>	<i>\$ 5,666,223</i>
Total Other Expenses	\$ 29,861,896	\$ 28,113,356	\$ 34,741,167	\$ 31,952,893
Total Expenses	\$ 161,254,597	\$ 164,056,897	\$ 181,612,186	\$ 184,662,604

Note: FY09 and FY10 actuals do not include amounts encumbered at year-end which results in an overstatement of year-end surplus.

Program Summary

A	B	C	D	E	F	(F-E)	(F/E)
ELEMENT	DESCRIPTION	FY2009 Actual	FY2010 Actual	FY2011 Restated	FY2012 Recommended	Change \$	Change %
Operating Budget- General Fund Expenses							
<u>Program 1000: Education</u>							
1100	Lexington Public Schools	\$ 63,829,348	\$ 65,017,437	\$ 69,243,526	\$ 73,144,885	\$ 3,901,359	5.63%
1200	Regional Schools	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%
Total Education		\$ 65,339,946	\$ 66,728,991	\$ 70,782,337	\$ 74,847,815	\$ 4,065,478	5.74%
<u>Program 2000: Shared Expenses</u>							
2110	Contributory Retirement	\$ 3,446,236	\$ 3,643,396	\$ 3,718,549	\$ 4,083,286	\$ 364,737	9.81%
2120	Non-Contributory Retirement	\$ 35,675	\$ 28,113	\$ 42,000	\$ 12,400	\$ (29,600)	-70.48%
2130	Employee Benefits	\$ 19,881,779	\$ 22,036,813	\$ 25,029,861	\$ 25,267,080	\$ 237,219	0.95%
2140	Unemployment	\$ 149,364	\$ 265,392	\$ 198,600	\$ 310,000	\$ 111,400	56.09%
2150	Workers Compensation*	\$ 328,198	\$ 414,001	\$ 480,301	\$ 542,658	\$ 62,357	12.98%
2160	Property & Liability Insurance	\$ 483,034	\$ 530,978	\$ 585,800	\$ 619,000	\$ 33,200	5.67%
2170	Uninsured Losses*	\$ 71,849	\$ 238,465	\$ 117,796	\$ 100,000	\$ (17,796)	-15.11%
<i>sub-total 2100 Benefits</i>		\$24,396,134	\$27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%
2210	Payment on Funded Debt	\$ 3,075,800	\$ 3,538,240	\$ 3,797,740	\$ 4,066,378	\$ 268,638	7.07%
2220	Interest on Funded Debt	\$ 634,223	\$ 651,624	\$ 726,604	\$ 684,411	\$ (42,193)	-5.81%
2230	Temporary Borrowing	\$ 91,342	\$ 66,234	\$ 144,828	\$ 251,322	\$ 106,494	73.53%
<i>sub-total 2200 Debt Services</i>		\$ 3,801,365	\$ 4,256,097	\$ 4,669,172	\$ 5,002,111	\$ 332,939	7.13%
2310	Reserve Fund	\$ -	\$ -	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%
<i>sub-total 2300 Reserve Fund</i>		\$ -	\$ -	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%
2400	Facilities	\$ 8,698,435	\$ 8,763,578	\$ 9,347,225	\$ 9,237,967	\$ (109,258)	-1.17%
Total Shared Expenses		\$ 36,895,935	\$ 40,176,834	\$ 45,139,304	\$ 45,724,502	\$ 585,198	1.30%
<u>Program 3000: Public Works</u>							
3100-3500	DPW Personal Services	\$ 3,526,147	\$ 3,369,301	\$ 3,372,757	\$ 3,468,798	\$ 96,041	2.85%
3100-3500	DPW Expenses	\$ 5,566,505	\$ 5,058,752	\$ 5,084,029	\$ 5,153,798	\$ 69,769	1.37%
Total Public Works		\$ 9,092,652	\$ 8,428,053	\$ 8,456,786	\$ 8,622,596	\$ 165,810	1.96%
<u>Program 4000: Public Safety</u>							
4100	Law Enforcement Personal Services	\$ 4,922,413	\$ 4,800,423	\$ 5,097,823	\$ 5,251,275	\$ 153,452	3.01%
4100	Law Enforcement Expenses	\$ 486,950	\$ 468,298	\$ 493,917	\$ 542,474	\$ 48,557	9.83%
<i>sub-total 4100 Law Enforcement</i>		\$ 5,409,363	\$ 5,268,721	\$ 5,591,740	\$ 5,793,748	\$ 202,009	3.61%
4200	Fire Personal Services	\$ 4,058,479	\$ 4,682,353	\$ 4,664,335	\$ 4,698,877	\$ 34,542	0.74%
4200	Fire Expenses	\$ 485,732	\$ 579,662	\$ 503,936	\$ 596,810	\$ 92,874	18.43%
<i>sub-total 4200 EMS/Fire</i>		\$ 4,544,211	\$ 5,262,014	\$ 5,168,271	\$ 5,295,687	\$ 127,416	2.47%
Total Public Safety		\$ 9,953,574	\$ 10,530,736	\$ 10,760,011	\$ 11,089,436	\$ 329,425	3.06%
<u>Program 5000: Culture & Recreation</u>							
5100	Library Personal Services	\$ 1,666,933	\$ 1,661,342	\$ 1,765,451	\$ 1,765,543	\$ 92	0.01%
5100	Library Expenses	\$ 219,148	\$ 246,186	\$ 246,200	\$ 246,700	\$ 500	0.20%
Total Culture & Recreation		\$ 1,886,081	\$ 1,907,527	\$ 2,011,651	\$ 2,012,243	\$ 592	0.03%
<u>Program 6000: Human Services</u>							
6000	Human Services Personal Services	\$ 350,225	\$ 276,898	\$ 323,701	\$ 331,914	\$ 8,213	2.54%
6000	Human Services Expenses	\$ 140,441	\$ 97,109	\$ 110,575	\$ 120,155	\$ 9,580	8.66%
Total Human Services		\$ 490,666	\$ 374,007	\$ 434,276	\$ 452,069	\$ 17,793	4.10%

Program Summary

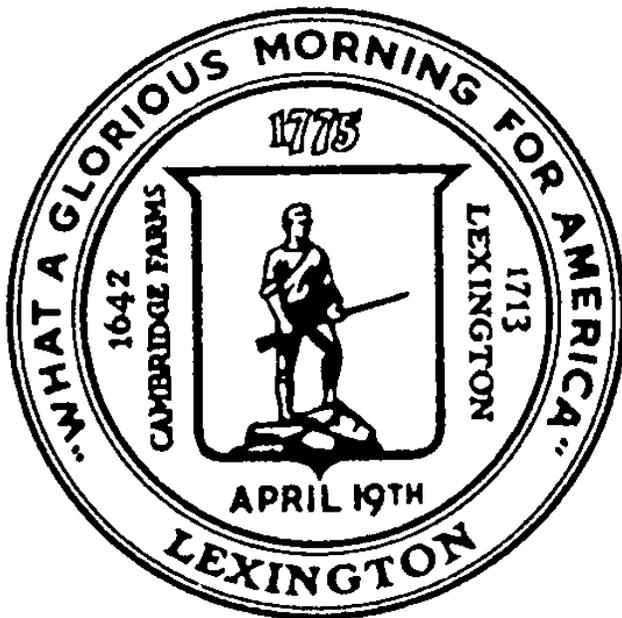
A	B	C	D	E	F	(F-E)	(F/E)
ELEMENT	DESCRIPTION	FY2009 Actual	FY2010 Actual	FY2011 Restated	FY2012 Recommended	Change \$	Change %
Program 7000: Community Development							
7100 Comm. Devel. Personal Services		\$ 796,045	\$ 829,828	\$ 940,274	\$ 969,573	\$ 29,299	3.12%
7100 Comm. Devel. Expenses		\$ 94,281	\$ 116,056	\$ 123,272	\$ 143,822	\$ 20,550	16.67%
<i>sub-total 7100 Comm. Dev.</i>		<i>\$ 890,326</i>	<i>\$ 945,884</i>	<i>\$ 1,063,546</i>	<i>\$ 1,113,395</i>	<i>\$ 49,849</i>	<i>4.69%</i>
7200 Planning Personal Services		\$ 219,065	\$ 216,273	\$ 240,885	\$ 245,898	\$ 5,012	2.08%
7200 Planning Expenses		\$ 38,075	\$ 7,918	\$ 79,850	\$ 81,850	\$ 2,000	2.50%
<i>sub-total 7200 Planning</i>		<i>\$ 257,140</i>	<i>\$ 224,191</i>	<i>\$ 320,735</i>	<i>\$ 327,748</i>	<i>\$ 7,012</i>	<i>2.19%</i>
7300 Economic Devel. Personal Services		\$ 94,031	\$ 83,999	\$ 90,767	\$ 95,808	\$ 5,041	5.55%
7300 Economic Devel. Expenses		\$ 12,623	\$ 4,832	\$ 21,750	\$ 59,800	\$ 38,050	174.94%
<i>sub-total 7300 Eco. Dev.</i>		<i>\$ 106,654</i>	<i>\$ 88,830</i>	<i>\$ 112,517</i>	<i>\$ 155,608</i>	<i>\$ 43,091</i>	<i>38.30%</i>
Total Community Development		\$ 1,254,121	\$ 1,258,906	\$ 1,496,798	\$ 1,596,751	\$ 99,953	6.68%
Program 8000: General Government							
8110 Selectmen Personal Services		\$ 72,266	\$ 78,737	\$ 84,250	\$ 87,612	\$ 3,362	3.99%
8110 Selectmen Expenses		\$ 66,864	\$ 64,438	\$ 87,975	\$ 129,475	\$ 41,500	47.17%
8120 Legal		\$ 392,576	\$ 334,958	\$ 400,000	\$ 400,000	\$ -	0.00%
8130 Town Report		\$ 7,000	\$ 6,475	\$ 7,000	\$ 7,000	\$ -	0.00%
<i>sub-total 8100 Board of Selectmen</i>		<i>\$ 538,706</i>	<i>\$ 484,608</i>	<i>\$ 579,225</i>	<i>\$ 624,087</i>	<i>\$ 44,862</i>	<i>7.75%</i>
8210-8220 Town Manager Personal Services		\$ 530,376	\$ 540,550	\$ 551,992	\$ 586,511	\$ 34,518	6.25%
8210-8220 Town Manager Expenses		\$ 244,341	\$ 232,578	\$ 217,010	\$ 245,750	\$ 28,740	13.24%
8230 Salary Transfer Account*		\$ -	\$ -	\$ 365,234	\$ 469,070	\$ 103,836	28.43%
<i>sub-total 8200 Town Manager</i>		<i>\$ 774,717</i>	<i>\$ 773,128</i>	<i>\$ 1,134,236</i>	<i>\$ 1,301,331</i>	<i>\$ 167,094</i>	<i>14.73%</i>
8310 Financial Committees		\$ 1,673	\$ 326	\$ 7,500	\$ 7,500	\$ -	0.00%
8320 Misc. Boards and Committees		\$ 2,757	\$ 2,442	\$ 4,500	\$ 4,500	\$ -	0.00%
8330 Public Celebrations Committee		\$ 29,498	\$ 29,966	\$ 32,000	\$ 33,000	\$ 1,000	3.13%
<i>sub-total 8300 Town Committees</i>		<i>\$ 33,927</i>	<i>\$ 32,734</i>	<i>\$ 44,000</i>	<i>\$ 45,000</i>	<i>\$ 1,000</i>	<i>2.27%</i>
8400 Finance Personal Services		\$ 1,057,594	\$ 1,076,447	\$ 1,112,059	\$ 1,148,807	\$ 36,748	3.30%
8400 Finance Expenses		\$ 249,150	\$ 288,303	\$ 391,504	\$ 385,844	\$ (5,660)	-1.45%
<i>sub-total 8400 Finance</i>		<i>\$ 1,306,744</i>	<i>\$ 1,364,750</i>	<i>\$ 1,503,563</i>	<i>\$ 1,534,651</i>	<i>\$ 31,088</i>	<i>2.07%</i>
8500 Town Clerk Personal Services		\$ 282,846	\$ 282,796	\$ 310,123	\$ 299,789	\$ (10,334)	-3.33%
8500 Town Clerk Expenses		\$ 92,525	\$ 89,936	\$ 107,300	\$ 102,350	\$ (4,950)	-4.61%
<i>sub-total 8500 Town Clerk</i>		<i>\$ 375,371</i>	<i>\$ 372,732</i>	<i>\$ 417,423</i>	<i>\$ 402,139</i>	<i>\$ (15,284)</i>	<i>-3.66%</i>
8600 MIS Personal Services		\$ 108,928	\$ 150,759	\$ 214,448	\$ 216,441	\$ 1,993	0.93%
8600 MIS Expenses		\$ 325,585	\$ 336,074	\$ 374,450	\$ 399,464	\$ 25,014	6.68%
<i>sub-total 8600 MIS</i>		<i>\$ 434,513</i>	<i>\$ 486,833</i>	<i>\$ 588,898</i>	<i>\$ 615,905</i>	<i>\$ 27,007</i>	<i>4.59%</i>
Total General Government		\$ 3,463,978	\$ 3,514,785	\$ 4,267,345	\$ 4,523,113	\$ 255,767	5.99%
Total Municipal		\$ 26,141,071	\$ 26,014,015	\$ 27,426,867	\$ 28,296,207	\$ 869,340	3.17%
Capital							
Capital Requests (Cash-GF)		\$ 842,000	\$ 822,450	\$ 1,270,000	\$ 1,370,000	\$ 100,000	7.87%
Building Envelope Set Aside		\$ 153,750	\$ 157,594	\$ 161,534	\$ 165,572	\$ 4,038	2.50%
Streets Set Aside		\$ 525,000	\$ 538,125	\$ 551,578	\$ 846,602	\$ 295,023	53.49%
Total Capital		\$ 1,520,750	\$ 1,518,169	\$ 1,983,112	\$ 2,382,174	\$ 399,062	20.12%
Other							
Stabilization Fund		\$ 1,000,000	\$ 669,843	\$ 710,000	\$ -	\$ (710,000)	-100.00%
Set-Aside for Potential Local Aid Reductions		\$ -	\$ -	\$ -	\$ 697,128	\$ 697,128	100.00%
Senior Tax Work-Off Program		\$ 45,000	\$ 45,000	\$ -	\$ 45,000	\$ 45,000	100.00%
Brookhaven		\$ 50,000	\$ -	\$ -	\$ -	\$ -	0.00%
SPED Reserve		\$ -	\$ 350,000	\$ 350,000	\$ -	\$ (350,000)	-100.00%
Post-Employment Benefits (OPEB)		\$ 400,000	\$ 440,690	\$ 479,399	\$ 500,000	\$ 20,601	4.30%

Program Summary

A	B	C	D	E	F	(F-E)	(F/E)
ELEMENT	DESCRIPTION	FY2009 Actual	FY2010 Actual	FY2011 Restated	FY2012 Recommended	Change \$	Change %
Warrant Articles		\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
CPA Bond Premium		\$ -	\$ -	\$ -	\$ 216,885	\$ 216,885	100.00%
Total Other Articles		\$ 1,495,000	\$ 1,505,533	\$ 1,539,399	\$ 1,459,013	\$ (80,386)	-5.22%
General Fund Total		\$ 131,392,702	\$ 135,943,542	\$ 146,871,019	\$ 152,709,711	\$ 5,838,692	3.98%
Enterprise Articles							
3600	Water Enterprise	\$ 7,189,052	\$ 7,241,303	\$ 7,712,934	\$ 7,945,444	\$ 232,511	3.01%
3700	Sewer Enterprise	\$ 7,643,649	\$ 8,088,208	\$ 8,331,319	\$ 8,802,085	\$ 470,765	5.65%
5200	Recreation Enterprise	\$ 1,701,807	\$ 1,840,057	\$ 1,924,601	\$ 1,954,988	\$ 30,386	1.58%
	Enterprise Cash Capital	\$ 85,035	\$ 111,000	\$ 90,000	\$ 190,000	\$ 100,000	111.11%
Total Recreation Funds (Oper. Exp. ONLY)		\$ 16,619,543	\$ 17,280,568	\$ 18,058,854	\$ 18,892,517	\$ 833,662	4.62%
Revolving Funds							
1100	School Bus Transportation	\$ 722,256	\$ 806,897	\$ 830,000	\$ 830,000	\$ -	0.00%
2400	Public Facilities Revolving Fund	\$ 290,989	\$ 285,609	\$ 313,994	\$ 325,000	\$ 11,006	3.51%
3320	Tree (DPW-Forestry)	\$ 4,764	\$ 4,108	\$ 20,000	\$ 20,000	\$ -	0.00%
3330	Burial Container (DPW-Cemetery)	\$ 29,905	\$ 29,162	\$ 35,000	\$ 35,000	\$ -	0.00%
3420	Compost Operations (DPW-Rec.)	\$ 255,147	\$ 312,001	\$ 400,162	\$ 435,851	\$ 35,689	8.92%
3420	MHHP Operations	\$ 117,090	\$ 143,103	\$ 175,000	\$ 175,000	\$ -	0.00%
6120	Council of Aging Programs	\$ 65,402	\$ 76,555	\$ 100,000	\$ 100,000	\$ -	0.00%
7140	Health Programs	\$ 6,798	\$ 1,359	\$ 10,000	\$ 10,000	\$ -	0.00%
7320	Liberty Ride	\$ 143,044	\$ 161,550	\$ 174,375	\$ 198,832	\$ 24,457	14.03%
8140	PEG Access	\$ 421,653	\$ 331,498	\$ 400,000	\$ 441,500	\$ 41,500	10.38%
Total Revolving Funds		\$ 2,057,049	\$ 2,151,843	\$ 2,458,531	\$ 2,571,183	\$ 112,652	4.58%
Community Preservation Act (CPA)							
CPA Capital ¹		\$ 5,358,138	\$ 2,737,528	\$ 8,196,159	\$ 4,548,897	\$ (3,647,262)	-44.50%
CPA Other (Projects & Admin.)		\$ 74,649	\$ 80,920	\$ 150,000	\$ 150,000	\$ -	0.00%
Total CPA		\$ 5,432,787	\$ 2,818,448	\$ 8,346,159	\$ 4,698,897	\$ (3,647,262)	-43.70%
Grants							
Grants & Subsidies		\$ 119,874	\$ 116,122	\$ 124,073	\$ 124,073	\$ -	0.00%
Total Grants		\$ 119,874	\$ 116,122	\$ 124,073	\$ 124,073	\$ -	0.00%
Exempt Debt							
Municipal		\$ 2,551,420	\$ 2,853,441	\$ 2,990,031	\$ 2,811,830	\$ (178,201)	-5.96%
School		\$ 3,081,223	\$ 2,892,934	\$ 2,763,519	\$ 2,854,393	\$ 90,875	3.29%
Total Exempt Debt		\$ 5,632,643	\$ 5,746,375	\$ 5,753,550	\$ 5,666,223	\$ (87,326)	-1.52%
Reconciliation							
Education		\$ 65,339,946	\$ 66,728,991	\$ 70,782,337	\$ 74,847,815	\$ 4,065,478	5.74%
Shared Expenses		\$ 36,895,935	\$ 40,176,834	\$ 45,139,304	\$ 45,724,502	\$ 585,198	1.30%
Municipal		\$ 26,141,071	\$ 26,014,015	\$ 27,426,867	\$ 28,296,207	\$ 869,340	3.17%
Capital		\$ 1,520,750	\$ 1,518,169	\$ 1,983,112	\$ 2,382,174	\$ 399,062	20.12%
Other		\$ 1,495,000	\$ 1,505,533	\$ 1,539,399	\$ 1,459,013	\$ (80,386)	-5.22%
Enterprise		\$ 16,619,543	\$ 17,280,568	\$ 18,058,854	\$ 18,892,517	\$ 833,662	4.62%
Revolving Funds & Grants		\$ 2,176,923	\$ 2,267,965	\$ 2,582,604	\$ 2,695,256	\$ 112,652	4.36%
CPA		\$ 5,432,787	\$ 2,818,448	\$ 8,346,159	\$ 4,698,897	\$ (3,647,262)	-43.70%
Exempt Debt		\$ 5,632,643	\$ 5,746,375	\$ 5,753,550	\$ 5,666,223	\$ (87,326)	-1.52%
Totals		\$ 161,254,597	\$ 164,056,897	\$ 181,612,186	\$ 184,662,604	\$ 3,050,419	1.68%

¹ FY2012 Recommended is net of \$216,885 of Free Cash attributable to Busa debt bond premium, which is proposed for appropriation to support FY2012 Busa debt service.

Section II: Revenues



Section II: Revenues

The summary below presents gross and net general fund revenues. Gross General Fund Revenues include all revenues projected as available for use in FY2012. Net General Fund Revenues are gross revenues less revenues recommended to be set-aside to fund designated expenses. In FY2012, Gross Revenues are projected to increase by approximately \$5.84 million, or 4.0%, while Net Revenues are projected to increase by approximately \$5.5 million, or 3.9%.

General Fund Revenue Summary	FY08 Actual	FY09 Actual	FY10 Actual	FY 2011 Recap	FY 2012 Projected	FY 11-12 Change	
						\$	%
Property Tax Levy (Table 1)	\$ 104,879,746	\$ 110,778,389	\$ 115,979,750	\$ 122,202,173	\$ 127,116,128	\$ 4,913,955	4.0%
State Aid (Table 2)	\$ 9,108,235	\$ 8,854,044	\$ 9,101,556	\$ 8,508,839	\$ 8,508,839	\$ -	0.0%
Local Receipts (Table 3)	\$ 11,626,516	\$ 11,290,971	\$ 10,728,657	\$ 9,392,450	\$ 9,773,634	\$ 381,184	4.1%
Available Funds (Table 4)	\$ 4,216,097	\$ 5,620,168	\$ 6,253,619	\$ 6,838,842	\$ 7,712,670	\$ 873,828	12.8%
Revenue Offsets (Table 5)	\$ (1,897,006)	\$ (2,540,476)	\$ (1,713,630)	\$ (1,687,257)	\$ (1,966,001)	\$ (278,744)	16.5%
Enterprise Receipts (Table 6)	\$ 1,749,663	\$ 1,710,887	\$ 1,662,522	\$ 1,615,973	\$ 1,564,441	\$ (51,532)	-3.2%
Gross General Fund Revenues	\$ 129,683,251	\$ 135,713,982	\$ 142,012,474	\$ 146,871,020	\$ 152,709,711	\$ 5,838,691	4.0%
Less - Revenues Set-Aside for Designated Expenses	\$ 2,395,000	\$ 3,015,750	\$ 3,023,702	\$ 3,522,511	\$ 3,841,187	\$ 318,676	9.0%
Net General Fund Revenues	\$ 127,288,251	\$ 132,698,232	\$ 138,988,772	\$ 143,348,509	\$ 148,868,524	\$ 5,520,015	3.9%

Detailed Description:

Property Tax Levy: The FY2012 property tax levy is projected to increase \$4.91 million, or 4.0%. The projected levy is a function of the FY2011 levy limit increased by 2.5% per Proposition 2 1/2, plus an increment for new growth. FY2012 new growth will be a function of construction activity for the period July 1, 2010 to June 30, 2011. FY2011 new growth is estimated at \$1,800,000 based on conversations with the Building Commissioner, the Chief Assessor and a review of historical data on new growth.

State Aid: FY2012 state aid is projected to remain unchanged from its FY2011 level. This may be an aggressive projection in light of current economic conditions and the Commonwealth's current fiscal condition, each factor suggesting the potential for more state aid cuts over and above those received in FY2011. It is recommended that any reductions in state aid be offset with appropriations from the Stabilization Fund. FY2012 state aid numbers will probably not be known until June 2011 when the Legislature adopts, and the Governor signs, the FY2012 State budget.

Local Receipts: FY2012 projections for each category of receipt are based on inspection of the history of actual collections and projections of 3 and 5 year historical averages, unless otherwise specified in the supplemental tables of this document. FY2012 local receipts are estimated to increase by approximately \$381,000 or 4.1% over FY11 estimates.

Available Funds: Available Funds are projected to increase by approximately \$873,800 million or 12.8%. Included in the FY11 base is \$218,950 in balances from prior year capital articles that were transferred to the FY11 Dept. of Public Facilities budget to finance the costs of PCB mitigation at the Estabrook School. If this one-time use of funds is removed from the FY11 base, Available Funds are projected to increase approximately \$1.1 million, or 16%. The increase in Available Funds is driven by a \$965,00, or 16%, increase in free cash from the 7/1/09 certification to the 7/1/10 certification. The factors contributing to 7/1/10 free cash include \$2.5 million of FY10 receipts in excess of estimates, \$3.7 million of FY10 spending less than appropriations and \$1.1 million of liquidated purchase orders from prior fiscal years. Another factor increasing Available Funds is the recommended appropriation of \$250,000 from the Avalon Bay School Enrollment Mitigation Fund to fund a portion of the FY12 school budget. Other components of Available Funds include parking meter receipts, cemetery funds, the Transportation Demand Management Stabilization Fund and insurance proceeds.

Text Continues on Page II-3

Section II: Revenues

	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY2011 Recap	FY 2012 Projected	FY 11-12 Change	
						\$	%
Table 1: Property Tax Levy							
Tax Levy	\$ 96,012,202	\$ 104,879,746	\$ 110,778,389	\$ 115,934,719	\$ 122,259,637	\$ 6,324,918	5.5%
Prop. 2.5%	\$ 2,400,305	\$ 2,621,994	\$ 2,769,460	\$ 2,898,368	\$ 3,056,491	\$ 158,123	5.5%
New Growth	\$ 2,485,650	\$ 3,276,649	\$ 2,431,902	\$ 3,426,550	\$ 1,800,000	\$ (1,626,550)	-47.5%
Override/Excess Levy Capacity	\$ 3,981,589	\$ -	\$ -	\$ (57,464)	\$ -	\$ 57,464	0.0%
Subtotal	\$ 104,879,746	\$ 110,778,389	\$ 115,979,750	\$ 122,202,173	\$ 127,116,128	\$ 4,913,955	4.0%
Table 2: State Aid							
Chapter 70	\$ 6,740,205	\$ 6,801,698	\$ 7,449,035	\$ 7,013,863	\$ 7,013,863	\$ -	0.0%
Charter School Reimbursement	\$ 234	\$ -	\$ 30,816	\$ 18,714	\$ 18,714	\$ -	0.0%
Unrestricted General Government Aide	\$ -	\$ -	\$ 1,350,288	\$ 1,296,276	\$ 1,296,276	\$ -	0.0%
Lottery, Beano, Charity Games	\$ 1,907,409	\$ 1,721,539	\$ -	\$ -	\$ -	\$ -	0.0%
Police Career Incentive	\$ 220,008	\$ 239,762	\$ 46,751	\$ 21,705	\$ 21,705	\$ -	0.0%
Veterans' Benefits & Exemptions	\$ 177,645	\$ 26,488	\$ 169,654	\$ 104,433	\$ 104,433	\$ -	0.0%
Offsets (School Lunch & Library)	\$ 62,734	\$ 64,557	\$ 55,012	\$ 53,848	\$ 53,848	\$ -	0.0%
sub-Total (Cherry Sheet)	\$ 9,108,235	\$ 8,854,044	\$ 9,101,556	\$ 8,508,839	\$ 8,508,839	\$ -	0.0%
School Construction (MSBA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Subtotal	\$ 9,108,235	\$ 8,854,044	\$ 9,101,556	\$ 8,508,839	\$ 8,508,839	\$ -	0.0%
Table 3: Local Receipts							
Motor Vehicle Excise Tax	\$ 3,758,043	\$ 4,161,316	\$ 3,664,627	\$ 3,679,000	\$ 3,665,000	\$ (14,000)	-0.4%
Other Excise	\$ 294,217	\$ 673,994	\$ 627,587	\$ 893,750	\$ 1,077,000	\$ 183,250	20.5%
Penalties & Interest	\$ 317,016	\$ 415,855	\$ 397,037	\$ 326,000	\$ 337,000	\$ 11,000	3.4%
PILOT's	\$ 803,593	\$ 634,637	\$ 463,500	\$ 489,000	\$ 502,000	\$ 13,000	2.7%
Rentals	\$ 192,000	\$ 240,265	\$ 325,879	\$ 246,000	\$ 327,500	\$ 81,500	33.1%
Departmental-Schools	\$ 415,914	\$ 347,505	\$ 417,908	\$ 291,500	\$ 373,534	\$ 82,034	28.1%
Departmental-Municipal	\$ 1,685,125	\$ 1,709,987	\$ 1,650,246	\$ 1,543,900	\$ 1,486,000	\$ (57,900)	-3.8%
Licenses & Permits	\$ 1,920,467	\$ 1,343,629	\$ 2,047,345	\$ 1,268,000	\$ 1,334,800	\$ 66,800	5.3%
Special Assessments	\$ 203,502	\$ 45,421	\$ 47,904	\$ 26,300	\$ 28,000	\$ 1,700	6.5%
Fines & Forfeits	\$ 370,368	\$ 347,308	\$ 365,677	\$ 339,000	\$ 352,800	\$ 13,800	4.1%
Investment Income	\$ 1,666,272	\$ 891,655	\$ 289,337	\$ 290,000	\$ 290,000	\$ -	0.0%
Miscellaneous Non-Recurring	\$ -	\$ 479,399	\$ 431,610	\$ -	\$ -	\$ -	0.0%
Subtotal	\$ 11,626,516	\$ 11,290,971	\$ 10,728,657	\$ 9,392,450	\$ 9,773,634	\$ 381,184	4.1%
Table 4: Available Funds							
Parking	\$ 350,000	\$ 325,000	\$ 325,000	\$ 335,000	\$ 335,000	\$ -	0.0%
Cemetery	\$ 100,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ -	0.0%
Free Cash	\$ 3,543,097	\$ 4,860,766	\$ 5,481,717	\$ 5,959,509	\$ 6,925,000	\$ 965,491	16.2%
Brookhaven	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	0.0%
Insurance Proceeds	\$ -	\$ 138,402	\$ 52,387	\$ 117,796	\$ 4,610	\$ (113,186)	-96.1%
Overlay Surplus	\$ 100,000	\$ -	\$ 104,965	\$ -	\$ -	\$ -	0.0%
Proceeds from the Sale of Assets	\$ -	\$ -	\$ 27,550	\$ -	\$ -	\$ -	0.0%
Lexpress Stabilization Fund	\$ 58,000	\$ 61,000	\$ 72,000	\$ 83,000	\$ 78,060	\$ (4,940)	-6.0%
Avalon Bay School Enrollment Mitigation Fund	\$ -	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	100.0%
Balances from Prior Year's Capital Articles (11/2010 STM)	\$ -	\$ -	\$ -	\$ 218,950	\$ -	\$ (218,950)	-100.0%
School Bus Stabilization Fund	\$ 65,000	\$ 65,000	\$ 70,000	\$ 4,587	\$ -	\$ (4,587)	-100.0%
Subtotal	\$ 4,216,097	\$ 5,620,168	\$ 6,253,619	\$ 6,838,842	\$ 7,712,670	\$ 873,828	12.8%
Table 5: Revenue Offsets							
Cherry Sheet Assessments	\$ (695,146)	\$ (701,893)	\$ (706,285)	\$ (737,040)	\$ (763,000)	\$ (25,960)	3.5%
Cherry Sheet Offsets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
School Lunch	\$ (20,745)	\$ (19,986)	\$ (20,744)	\$ (17,758)	\$ (17,758)	\$ -	0.0%
Public Libraries	\$ (41,989)	\$ (44,571)	\$ (34,268)	\$ (36,090)	\$ (36,090)	\$ -	0.0%
Overlay (abatements)	\$ (1,139,126)	\$ (1,276,988)	\$ (850,587)	\$ (896,369)	\$ (849,153)	\$ 47,216	-5.3%
Snow Deficit	\$ -	\$ (497,038)	\$ (101,747)	\$ -	\$ (300,000)	\$ (300,000)	100.0%
Subtotal	\$ (1,897,006)	\$ (2,540,476)	\$ (1,713,630)	\$ (1,687,257)	\$ (1,966,001)	\$ (278,744)	16.5%
Table 6: Enterprise Receipts							
Water	\$ 859,728	\$ 820,952	\$ 782,176	\$ 743,400	\$ 704,624	\$ (38,776)	-5.2%
Wastewater (Sewer)	\$ 714,536	\$ 714,536	\$ 691,763	\$ 668,990	\$ 646,217	\$ (22,773)	-3.4%
Recreation	\$ 175,399	\$ 175,399	\$ 188,583	\$ 203,583	\$ 213,600	\$ 10,017	4.9%
Subtotal	\$ 1,749,663	\$ 1,710,887	\$ 1,662,522	\$ 1,615,973	\$ 1,564,441	\$ (51,532)	-3.2%
Gross General Fund Revenues	\$ 129,683,251	\$ 135,713,982	\$ 142,012,474	\$ 146,871,020	\$ 152,709,711	\$ 5,838,691	4.0%
Revenues Set Aside for Designated Expenses	\$ 2,395,000	\$ 3,015,750	\$ 3,023,702	\$ 3,522,511	\$ 3,841,187	\$ 318,676	9.0%
Net General Fund Revenues Available for Appropriation	\$ 127,288,251	\$ 132,698,232	\$ 138,988,772	\$ 143,348,509	\$ 148,868,524	\$ 5,520,015	3.9%

Section II: Revenues

Revenue Offsets: Revenue Offsets are projected to increase by approximately \$278,000 or 16.5%. Recognizing that the FY2011 set-aside for a snow and ice deficit was reduced to \$0 from its budgeted amount of \$300,000 and adjusting for this change, a more realistic FY2011 change in Revenue Offsets is a decrease of \$21,256, or 1.3%. Revenue Offsets represent the set-aside of a portion of projected revenues needed for particular purposes including (1) components of state aid (Public Library aid and School Lunch reimbursements) that are distributed as Cherry Sheet aid, but in fact are categorical grants that are 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; (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. Cherry Sheet Assessments assume a 3.5% increase in FY 2012. FY2011 had been scheduled for the triennial revaluation of real property but the revaluation was postponed until FY2012 by the Department of Revenue.

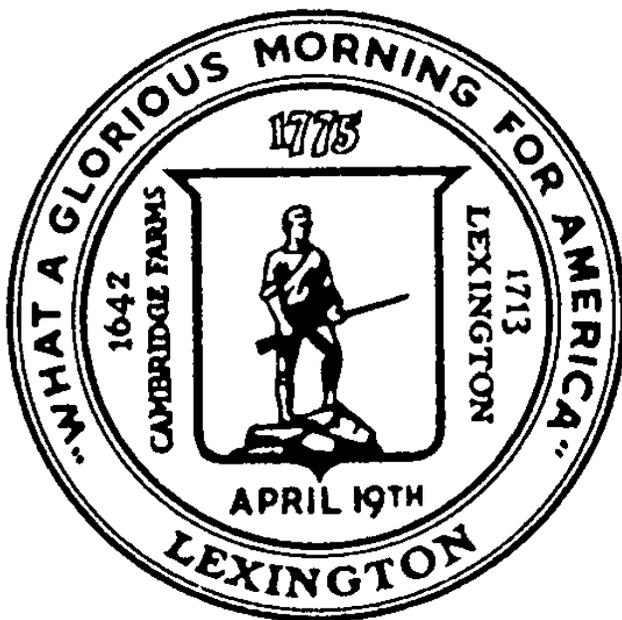
Enterprise Receipts: This category represents transfers from the water, sewer and recreation enterprise funds to the general fund to cover general fund expenditures that support the operations of the water, sewer and recreation departments. The decrease of approximately \$51,000, or 3.2%, is largely attributable to implementation of a 6-year plan to bring indirects in line with revised estimates of indirect costs. FY2012 is year 5 of this plan.

Revenues Set Aside for Designated Expenses: This represents components of Gross General Fund Revenues that are set aside designated purposes. The amounts proposed for FY2012 and their financing sources are \$200,000 (free cash) for unanticipated needs of the current fiscal year (FY11); \$500,000 (free cash) to be used for supplemental funding of the OPEB account; \$1,370,000 (free cash) to be applied to cash capital; \$216,885 (free cash) - attributable to the CPA portion of an FY2010 bond premium - to be returned for CPA projects; \$100,000 (free cash) to increase the budget for snow and ice; and \$697,128 (free cash) as a hedge against potential cuts in State Aid and snow/ice deficits. Assuming all the proposed uses of free cash as just described leaves a residual balance of \$4.14 million which is proposed to be applied to support the FY2012 operating budget.

Other general fund revenue set-asides include \$846,202 from the tax levy for the Street Reconstruction program of which \$565,368 (adjusted by 2.5% per year) was funded in the 2001 override, \$165,572 (tax levy) for the Building Envelope capital program funded in the 2006 override, and \$45,000 (tax levy) for the Senior Work-Off program.

Section III: Education

Program 1000



Lexington Public Schools
Minuteman Regional School

Lexington's Vision: Excellent, Efficient, and Effective Schools

Our Mission: High Achievement for ALL students

- 1) Accomplished in the spirit of:
 - ❖ Collaboration
 - ❖ Respectful and Caring Relationships
 - ❖ Continuous Improvement
- 2) Answered with the promise of equity and access to the curricula and programs for all students

LPS Budget Guidelines

- 1) Continue the current level of services with the understanding that the School Committee will consider equal-cost substitutions in the recommended budget with all assumptions clearly defined.
- 2) Ensure all legal mandates will be met.
- 3) Ensure professional staffing guidelines will be met.
- 4) Continue to identify and plan alternatives that will provide services in more cost-effective ways (e.g., build more in-house capacity to avoid some special education out-of-district costs, reduce energy consumption, reduce special education transportation costs per rider).
- 5) Maintain capital assets in order to support the instructional program, protect the physical assets of the Town of Lexington, and to ensure the health and safety of our students and staff.
- 6) Identify ways to reduce the budget, if there are not sufficient monies available to fund a level-service budget.

What Is a Level-Service Budget? Since no two school budgets can ever be exactly the same, a level-service budget is based on the following assumptions:

- 1) No new programs are recommended.
- 2) Current class size averages are maintained.
- 3) Special education legal requirements are funded.
- 4) Contractual requirements are funded (e.g., utilities, union contracts, transportation contracts)
- 5) Instructional expense budgets are only adjusted for inflation, unless legally required. School and department budgets are equalized based on per pupil spending.

Program Summary:

Continue Efforts to Provide Tiered Instructional Interventions (K-12)

- 1) K-5 Literacy (use of AIMSweb and DRA to assess and monitor student progress)
- 2) K-5 Mathematics (FASST Math, Fraction Nation, assessment training)
- 3) 6-8 Mathematics Intervention
- 4) K-12 General Education Response to Intervention Model (Study and Development Stage)

Furthering Academic Excellence

- 1) K-12 ELA Curriculum Review (3rd year)
- 2) K-12 Social Studies Curriculum Review (1st year)
- 3) Development of a new, standards-based K-5 report card (pilot implementation 2011-2012)
- 4) Continuation of *Equity and Excellence* work to improve academic achievement for minority students (4th year)

Further Refinements of In-District Special Education Programs

- 1) Elementary and High School Intensive Learning Programs
- 2) Collaboration with other towns to reduce transportation services to out-of-district schools
- 3) Refine Staffing and Service Delivery Models

Nationally Acclaimed Professional Development Program

- 1) Research-based program designed to improve teaching and advance student learning
- 2) Intensive focus on Differentiated Instructional Strategies
- 3) Focused, after-school courses & workshops for educators that are based on student needs (Optional program with 520 enrollees)
- 4) Targeted courses & workshops to support in-depth content needs (Required, offered during the school day)
- 5) Ongoing - PLCs, data driven instruction, common planning time, common formative assessments, ELL training for teachers, Teachers As Scholars, Primary Source, Project Alliance, Teacher Mentoring Program, EDCO courses

Expanded Implementation of Technology

- 1) All teachers K-12 utilize technology in their instructional practices
- 2) Increased capability for teachers to analyze student data
- 3) Web sites used more extensively by teachers and schools for communication

Budget Summary:

The recommended level-service budget for 2011-2012 requires an additional \$3,901,359, which is an increase of 5.63% over the FY11 appropriation. The FY12 budget is based on the assumption that the loss of federal ARRA stimulus funds (\$1,060,370) will be replaced by the following:

- \$586,572 from the new one-time federal "EdJobs" grant and "SFSF" (State Fiscal Stabilization Funds),
- The use of one-third or \$250,000 from the Avalon Bay Education Mitigation Fund,
- \$138,000 from the LABBB credit,
- Revisions to the General Fund revenue estimate for the school departments' Medicaid Reimbursement Claims, and to one-time modifications to the town's revenue sharing model, and
- The school department will assume all costs for unemployment insurance over the FY12 appropriation should additional funds be required to support terminated school department employees that are unknown at this time.

1100 Lexington Public Schools

Program: Education

Town of Lexington, Massachusetts

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 64,086,230	\$ 65,017,437	\$ 69,243,526	\$ 73,144,885	\$ 3,901,359	5.63%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Fees & Charges	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total 1100 Lexington Public Schools	\$ 64,086,230	\$ 65,017,437	\$ 69,243,526	\$ 73,144,885	\$ 3,901,359	5.63%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 53,418,882	\$ 54,440,050	\$ 58,026,383	\$ 60,636,053	\$ 1,858,595	4.50%
Expenses	\$ 10,667,348	\$ 10,577,386	\$ 11,217,143	\$ 12,508,832	\$ 1,300,039	11.52%
Total 1100 Lexington Public Schools	\$ 64,086,230	\$ 65,017,437	\$ 69,243,526	\$ 73,144,885	\$ 3,901,359	5.63%

Level-Service Requests	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 1100 Lexington Public Schools	\$ 64,086,230	\$ 65,017,437	\$ 69,243,526	\$ 73,144,885	\$ 3,901,359	5.63%
Total 1100 Lexington Public Schools	\$ 64,086,230	\$ 65,017,437	\$ 69,243,526	\$ 73,144,885	\$ 3,901,359	5.63%

Major FY 12 Budget Drivers

The increase in the school budget is driven by five key factors:

- 1) Special Education Mandates: The cost of special education continues to be a key factor in the development of the school district budget. The major influences on special education costs include:
 - a. Out-of-district tuition expenses – The overall increase of the district's tuition obligation is projected to increase by 14.12% or \$802,686.
 - b. Staffing needs – The following positions or changes in job classifications are needed: Student Support Instructors for the Fiske Intensive Learning Program (ILP), the reclassification of Instructional Assistants to Special Class Teaching Assistants in the Hastings Intensive Learning Program in order to address increased behavioral needs of students, and a Student Services Data Specialist to manage required student and services data.
 - c. Special Education Transportation – due to our regional collaboration with area towns, the district is experiencing a leveling off from three years of progressive savings. The regionalization of these services saved at least \$400,000 over the last three years of participation. The regional group is currently out to bid for a new five year contract. The regional group of public schools (Arlington, Belmont, Burlington, Lexington, and Watertown) is being joined this year by Waltham Public Schools.
- 2) Personnel Salaries: The FY 12 budget includes funds for all negotiated salary and step increases for all bargaining units. The FY 12 personnel budget is based on current personnel, as of October 15, plus any known vacancies, program elimination, or identified program needs due to enrollment. It is assumed that all teachers on a leave of absence will return next fall. The district is adding net of 3.59 FTEs. The additional staff and the shifts in allocation of staff within the proposed budget that address the changing needs of the district.
- 3) Reduction in State and Federal Title Grants: In FY12, the school department is projecting a 15% reduction in the Title 1 grant. Title IIA (aid for improving educator quality) is expected to decline by 2%, Title III (aid for limited English proficient students) is expected to remain the same next year. The Full Day Kindergarten Grant is expected

to be reduced by 10%. We are assuming the METCO grant will be level-funded after substantial reductions during the past three years. Once the grant awards are known, any reduction in funding will result in reduction in staffing.

- 4) Elimination in the Federal Stimulus Program, Also Known as ARRA: Two years ago, the federal government passed the American Reinvestment Recovery Act (ARRA) to protect school districts from massive budget cuts for two years. Lexington was allocated \$818,090 for FY 10 and \$818,090 for FY 11. The elimination of the ARRA federal grant in FY 12 will mean the loss of \$1,060,370 (\$818,090 plus \$242,280 rolled over from last year). This loss will be partially offset in FY 12 by using a new, one-time federal grant passed last year, commonly known as the Education Jobs program. Since our "EdJobs" grant of \$548,918 and SFSF grant of \$37,654 was not used in FY 11, these funds are available to be used in FY 12.

The plan to transition from expiring federal funds is as follows:

FY 12 (To make up for the loss of \$1,060,370 in ARRA funds):

New federal jobs grant	\$548,918	
New SFSF federal grant	\$37,654	
Medicaid Reimbursement	\$39,479	Due to our hiring of a dedicated staff person, we have been able to stabilize our reimbursement at about \$200,000 per year.
Use of Avalon funds	\$250,000	We anticipate the maximum of \$750,000 will be in the account by June 2011
Use of LABBB credit	<u>\$138,000</u>	The total credit is approximately \$580,000
Total	\$1,014,051	

FY 13

Use of Avalon funds	\$250,000	
Use of LABBB credit	<u>\$250,000</u>	leaving approximately \$190,000 at the end of FY 13
Total	\$500,000	

FY 14

Use of Avalon funds	\$250,000	At the end of FY 14, the fund will be exhausted
Use of LABBB credit	<u>\$TBD</u>	
Total	\$500,000	At the end of FY 14, the funds will be exhausted

- 5) Decrease in Regular Education Transportation Revenue: In FY 11, there was a substantial shift in the make up of riders, but the overall ridership remained relatively constant. Our eligible riders increased by 60 partially due to the rising number of students at Avalon going to Bridge (\$33,000 in lost revenue). The number of paying

1100 Lexington Public Schools

Town of Lexington, Massachusetts

riders is 160 less than projected for the budget year (\$88,000 in lost revenue). The net result is an additional \$115,000 added to the FY11 budget. The level of financial assistance increased from 150 riders in FY09 to 185 for FY10 and FY11. Family Cap riders increased from 3 in FY09 to approximately 80 in FY11. The combination of these resulted in an increase request to subsidize the regular education transportation program.

More information can be found at:

<http://lps.lexingtonma.org/businessandfinance.html>

1200 Minuteman Regional School

Budget Organization: The Regional School subprogram provides funding to operate the Minuteman Science-Technology High School. Minuteman Tech is a regional school, located in Lexington and Lincoln, which provides technical and academic education for students in grades 9-12 from the 16-town Minuteman district.

Minuteman Tech’s programs include courses in the following clusters: Trades and Transportation; Engineering; Human and Commercial Services; Business and Information Technology; and Bio-Science.

Lexington’s enrollment at Minuteman High School, as of October 1 is:

	2008	2009	2010
High School Students-Full Time	59	57	57
High School Students-Part Time (FTE)	5.5	5.5	5.5
Subtotal	64.5	62.5	62.5
Post Graduate Students	11	11	21
Total	75.5	73.5	83.5

1200 Minuteman Regional School

Program: Education
Town of Lexington, Massachusetts

Appropriated/Authorized Staffing:

No staff charged to this budget.

1200 Minuteman Regional School

Budget Recommendations:

The FY 2012 recommended budget reflects a \$164,119 or 10.67% increase over the FY2011 restated budget. This is an estimated assessment and may be further refined in advance of Town Meeting.

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1200 Minuteman Regional School

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Directed Funding (Revolving Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total 1200 Minuteman	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%

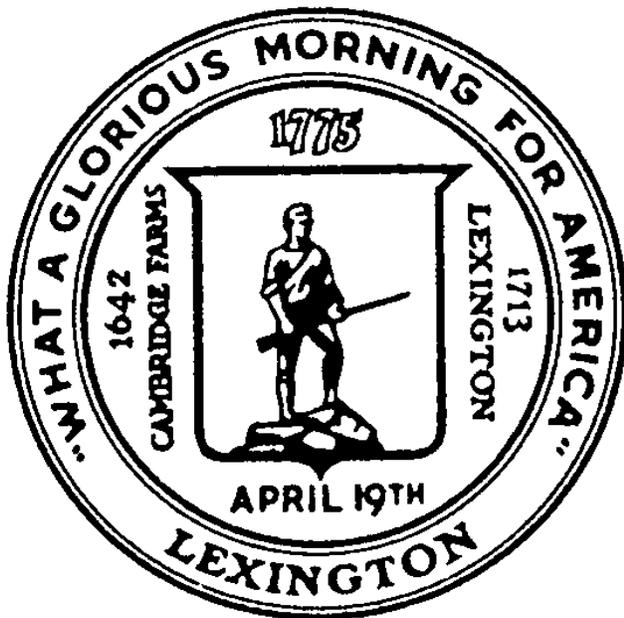
Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%
Total 1200 Minuteman	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%

Level-Service Requests	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 1200 Minuteman Regional School	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%
Total 1200 Minuteman	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -		\$ -	\$ -	0.00%
Overtime	\$ -	\$ -		\$ -	\$ -	0.00%
<i>Compensation</i>	\$ -	\$ -		\$ -	\$ -	0.00%
Contractual Services	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%
Utilities	\$ -	\$ -		\$ -	\$ -	0.00%
Supplies	\$ -	\$ -		\$ -	\$ -	0.00%
Small Capital	\$ -	\$ -		\$ -	\$ -	0.00%
<i>Expenses</i>	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%
Total 1200 Minuteman	\$ 1,510,598	\$ 1,711,554	\$ 1,538,811	\$ 1,702,930	\$ 164,119	10.67%

Section IV: Shared Expenses

Program 2000



Employee Benefits
Debt Service
Reserve Fund
Public Facilities

Section IV: Program 2000: Shared Expenses

This section includes detailed information about the FY 2012 Recommended Budget & Financing Plan for shared expenses. It includes:

- 2100 Employee Benefits IV-2
- 2200 Debt Service IV-9
- 2300 Reserve Fund IV-13
- 2400 Public Facilities IV-17

2100 Employee Benefits

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

Budget Organization: Included in the Employee Benefits 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 the date of hire - make up the majority of the funding of the pension system.
- Non-Contributory Retirement: The cost of benefits for employees who retired prior to the creation of the Lexington Contributory Retirement System.
- Health Benefits: The Town's annual contribution to finance: (1) the cost of health insurance for active Town and School Department employees, and retirees; (2) the cost of dental insurance for active Town and School Department employees, and retirees; (3) the cost of life insurance for active Town and School Department employees and retirees; and (4) the Town's 1.45% share of Medicare tax for all employees hired after 1986.

All aspects of health insurance benefits, including plan providers, plan design and employer/employee contribution rates are subjects of collective bargaining in all Massachusetts municipalities. Pursuant to MGL Chapter 32B, Section 19, certain municipalities, including Lexington, have adopted what is referred to as Coalition Bargaining for the purpose of bargaining health and dental insurance benefits. The Coalition is comprised of a representative of each Town and School collective bargaining unit, a retiree representative and three non-voting non-union representatives. The Town Manager is required to negotiate with the Coalition to make any change to health and dental insurance benefits or contribution rates. A 70% weighted vote of the Coalition is needed to approve any change.

- Unemployment: The cost of unemployment payments for eligible employees separated from Town or School Department employment. The Town is self-insured for its unemployment program.

2100 Employee Benefits

- Workers' Compensation: The medical costs incurred by employees injured on the job, medical costs of former public safety employees who retired on accidental disability, and for "stop loss" insurance to mitigate the Town's exposure to extraordinary medical claims.
- 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 to cover the Town for uninsured losses; primarily to finance the deductibles contained in various insurance policies.

Departmental Initiatives:

The Town and the Employee Health Insurance Coalition reached a health insurance coalition agreement which will expire on June 30, 2012. The Town will continue to investigate ways to mitigate the rising cost of health insurance.

Authorized/Appropriated Staffing:

Staff support is provided through the Town Manager Office's, Human Resources and Finance Department. Portions of the salaries of three employees are charged to the health insurance trust fund and general liability insurance budget.

2100 Employee Benefits

Budget Recommendations:

The FY 2012 recommended budget represents a \$761,517, or 2.52% increase over the FY2011 restated budget.

Recommended Budget: The significant changes in this budget include:

1. A 9.81% increase in Contributory Retirement based on the FY2012 pension assessment adopted by the Lexington Retirement Board. This is largely due to the recent performance of the investments (e.g. stock market) where retirement fund assets are invested;
2. A 0.57% increase in the health insurance budget which reflects an underlying 9% percent projection of health insurance costs across all plans, and the addition of 55 subscribers (new retiree subscribers, active employees currently not enrolled in the Town's plan subscribing in the future, and active employees switching from individual to family plans);
3. A 10.90% increase in the Town's contribution for Medicare Tax based on FY 2010 actual costs, projected FY 2011 salaries and wages, and historical rates of increase in this tax and the number of employees covered by this program;
4. A 1.61% decrease in dental insurance costs based on favorable claims experience and negotiated rates for FY2012;
5. A 1.48% decrease in life insurance costs based on projected enrollments;
6. A 56.09% increase in Unemployment Insurance. In FY2011, the Unemployment Insurance budget was increased substantially due to the planned elimination of certain part-time, benefit-eligible school department positions. For FY2012, the recommended budget is based on recent experience and the extension of unemployment benefits by the federal government.
7. A 12.98% increase in Workers' Compensation costs based on FY2010 actual experience, the continuation of \$100,000 to finance the medical costs of former public safety employees who retired due to work-related injuries, and the continuation of efforts to build a reserve balance in this continuing balance account;
8. A 5.67 % increase in the costs of property and liability insurance based on guidance from our carrier on projected market conditions; and
9. \$100,000 budgeted for uninsured losses, a small decrease from the FY 2011 funding. The June 30, 2010 balance in this continuing balance account is \$156,160.

2100 Employee Benefits

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 23,927,394	\$ 26,713,497	\$ 29,574,407	\$ 30,336,897	\$ 762,490	2.58%
Enterprise Funds (Indirects)	\$ 437,421	\$ 409,802	\$ 561,948	\$ 543,824	\$ (18,124)	-3.23%
Directed Funding (Revolving Funds)	\$ 31,319	\$ 33,860	\$ 36,552	\$ 53,703	\$ 17,151	46.92%
Total 2100 Employee Benefits	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%
Total 2100 Employee Benefits	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%

Level-Service Requests	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 2110 Contributory Retirement	\$ 3,446,236	\$ 3,643,396	\$ 3,718,549	\$ 4,083,286	\$ 364,737	9.81%
Total 2120 Non-Contributory Retirement	\$ 35,675	\$ 28,113	\$ 42,000	\$ 12,400	\$ (29,600)	-70.48%
Total 2130 Medicare	\$ 978,089	\$ 1,037,736	\$ 1,097,929	\$ 1,217,567	\$ 119,638	10.90%
Total 2130 Health Insurance ¹	\$ 18,120,639	\$ 20,310,476	\$ 23,117,232	\$ 23,247,896	\$ 130,664	0.57%
Total 2130 Dental Insurance	\$ 762,183	\$ 662,483	\$ 794,400	\$ 781,617	\$ (12,783)	-1.61%
Total 2130 Life Insurance	\$ 20,868	\$ 26,117	\$ 20,300	\$ 20,000	\$ (300)	-1.48%
Total 2140 Unemployment	\$ 149,364	\$ 265,392	\$ 198,600	\$ 310,000	\$ 111,400	56.09%
Total 2150 Workers Compensation	\$ 328,198	\$ 414,001	\$ 480,301	\$ 542,658	\$ 62,357	12.98%
Total 2160 Property & Liability Insurance	\$ 483,034	\$ 530,978	\$ 585,800	\$ 619,000	\$ 33,200	5.67%
Total 2170 Uninsured Losses	\$ 71,849	\$ 238,465	\$ 117,796	\$ 100,000	\$ (17,796)	-15.11%
Total 2100 Employee Benefits	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Compensation</i>	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Expenses</i>	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%
Total 2100 Employee Benefits	\$ 24,396,134	\$ 27,157,159	\$ 30,172,907	\$ 30,934,424	\$ 761,517	2.52%

¹ FY2009 Actual includes \$18,120,639 that was posted to the general fund appropriation plus an additional \$799,359 that was funded by a state grant made at fiscal year-end to offset the State's elimination of its 4th quarter Chapter 70 payment.

2100 Employee Benefits

Focus on: Health Benefits – Line Item 2130

The cost of health insurance continues to be a major concern for the Town of Lexington, as is the case with all public and private organizations in this region and across the country. In the context of Coalition Bargaining, the Town will continue to work with Town employees, School employees and retirees to identify opportunities to moderate increases in future health insurance costs.

The tables shown on the following pages show the number of employees and retirees enrolled in the Town's health insurance program; as well as a breakout of costs among Town employees, School employees and retirees:

2100 Employee Benefits

Table 1: Health Insurance Enrollments ⁽¹⁾					
				FY 2011	FY 2012
				Budget Based on Actual Counts plus Additional Projected Lives shown below	Budget Based on Actual Counts plus Additional Projected Lives shown below
	Actual Counts November 2006 (FY 2007)	Actual Counts November 2007 (FY 2008)	Actual Counts November 2008 (FY 2009)	November 2009 (FY 2010)	November 2010 (FY 2011)
Subscribers					
<u>Town</u>					
Individual	72	72	71	72	76
Family	188	184	196	192	195
subtotal	260	256	267	264	271
<u>School</u>					
Individual	311	318	353	333	327
Family	508	516	506	514	500
subtotal	819	834	859	847	827
<u>Retirees</u>	948	976	991	1000	1014
subtotal	2027	2066	2117	2111	2112
Additional projected lives for budget purposes FY 2011 and FY 2012					
Position Vacancies					
Individual				3	9
Family				18	15
subtotal				21	24
Estimated Open Enrollment / Qualifying Events ⁽²⁾					
Individual				10	12
Family				30	23
Retirees				25	20
subtotal				65	55
Total	2027	2066	2117	2197	2191
Proposed New Positions - FY 2012					
School ⁽³⁾				-	4
Municipal				-	3
Facilities Dept.				-	3
subtotal				-	10
Proposed Reduction in Positions - FY 2012					
School ⁽⁴⁾				-	(11)
Total	2027	2066	2117	2197	2190
⁽¹⁾ The subscriber counts above do not include COBRA subscribers, but include 4 employees who are not General Fund employees. ⁽²⁾ The projection shown under open enrollment / qualifying events is driven in large part in anticipation of current employees losing coverage on their spouse's plans. ⁽³⁾ This reflects 3.59 proposed School Department positions. ⁽⁴⁾ The School Department is consolidating 22 part-time benefits eligible positions into 11 full-time positions for a net reduction of 11 benefits eligible positions.					

2100 Employee Benefits

Program: Shared Expenses
Town of Lexington, Massachusetts

Table 2: Health Insurance Budget: FY 2010 - 2012

	FY 2010 Actual	FY2011 Restated Budget ⁽¹⁾	FY 2012 Projected Budget ⁽²⁾	Percentage Increase FY 2011 to FY 2012
Town	\$ 3,546,731	\$ 4,070,540	\$ 4,218,676	3.6%
School	\$ 10,414,084	\$ 11,675,927	\$ 12,005,619	2.8%
Retirees	\$ 6,356,099	\$ 7,370,766	\$ 7,572,519	2.7%
Total	\$ 20,316,914	\$ 23,117,233	\$ 23,796,814	2.9%
EdJobs Offset ⁽³⁾			\$ (548,918)	
Net Budget Amount ⁽⁴⁾			\$ 23,247,896	0.6%
⁽¹⁾ FY 2011 budget included an over count of 13 additional lives.				
⁽²⁾ FY 2012 budget is based on an estimated 9% increase in health care costs across all plans.				
⁽³⁾ EdJobs is a federal stimulus grant provided to school departments.				
⁽⁴⁾ The percentage change of 2.9% is due to an additional \$1,250,000 budgeted for FY 2011 prior to the final insurance rates, over count of employees, and fewer open enrollment / qualifying events being known. If the \$1,250,000 is not included in the FY11 budgeted amount, the true increase in this budget for FY12 is 8.8%				

2200 Debt Service

Mission: To manage the issuance of debt at a level that that will: (1) protect the existing capital assets of the Town and finance new capital initiatives; (2) maintain an effective balance between operating budget and capital budget needs; and (3) seek to maintain the Town's Aaa bond rating.

Budget Organization: The Town's debt service is a function of debt authorized by Town Meeting, to be financed within the limits of Proposition 2 ½ (non-exempt debt), and debt authorized by Town referendum and Town Meeting, to be financed outside the limits of Proposition 2 ½ (exempt debt).

The debt service budget finances general fund¹ costs of:

- Actual annual payments on bonds for principal and interest and payments on bond anticipation notes (BANs) for interest for debt that has been authorized and issued;
- Estimated annual payments on bonds for principal and interest and payments on bond anticipation notes (BANs) for interest for debt that has been authorized and will be issued in FY2011 and FY2012;
- Estimated costs of issuing new debt as proposed in the FY2012 capital budget;
- Estimated cost of interest on abatements of property taxes.

¹ Debt service for water, sewer and fee-based recreation capital projects is shown in elements 3610, 3710 and 5200 respectively.

2200 Debt Service

Authorized/Appropriated Staffing

There is no direct staff charged to this line-item. Management of debt is a joint effort of the Town Manager's Office and the Finance Department.

2200 Debt Service

Budget Recommendations:

The FY2012 recommendation represents an increase of \$245,612, or 2.36%, over the FY2011 budget for all exempt and non-exempt debt service. Non-exempt debt service is increasing by \$332,939, or 7.13 percent, and exempt debt service is decreasing by \$87,327, or 1.52 percent.

Of the recommended non-exempt debt service, \$87,314 is attributable to estimated short-term debt service for \$6.2 million in proposed capital projects included in the recommended FY2012 capital budget. This amount would grow to an estimated \$953,495 in FY2013 upon the conversion of the short-term financing to long-term debt (See Section XI of this budget document). Of the \$6.2 million of proposed projects, \$1.53 million is for design services for renovations of the Bridge, Bowman and Estabrook Schools, projects that may be subject to election to exclude the costs of the projects from the limits of Proposition 2 ½.

2200 Debt Service

Program: Shared Expenses
Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	2.36%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Fees & Charges	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total 2200 Debt Service	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	2.36%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	2.36%
Total 2200 Debt Service	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	2.36%

Level-Service Requests (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 2210 Within-Levy Principal	\$ 3,075,800	\$ 3,538,240	\$ 3,797,740	\$ 4,066,378	\$ 268,638	7.07%
Total 2220 Within Levy Interest	\$ 634,223	\$ 651,624	\$ 726,604	\$ 684,411	\$ (42,193)	-5.81%
Total 2230 Temporary Borrowing	\$ 91,342	\$ 66,234	\$ 144,828	\$ 251,322	\$ 106,494	73.53%
Total 2200 Within-Levy Debt Service	\$ 3,801,365	\$ 4,256,097	\$ 4,669,172	\$ 5,002,111	\$ 332,939	7.13%

Level-Service Requests (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 2210 Exempt Debt Principal						
Total 2220 Exempt Debt Interest						
Total 2230 Exempt Debt Temporary Borrowing						
Total 2200 Exempt Debt Service	\$ 5,632,642	\$ 5,746,375	\$ 5,753,550	\$ 5,666,223	\$ (87,327)	-1.52%

Total Debt Service	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	3.55%
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Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Contractual Services	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	2.36%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	2.36%
Total 2200 Debt Service	\$ 9,434,007	\$ 10,002,472	\$ 10,422,722	\$ 10,668,334	\$ 245,612	2.36%

Subprogram: 2300 Reserve Fund

Mission: To provide for extraordinary and unforeseen expenses.

Budget Organization: The Reserve Fund is under the jurisdiction of the Appropriation Committee and provides for extraordinary and unforeseen expenses such as snow removal, legal services, public safety overtime and special education costs.

Departmental Initiatives: As recommended by the Financial Policy Review Committee, to maintain the reserve fund at a level that will be equal to the historical amount of extraordinary and unforeseen expenses, as a percentage of the General Fund operating budget.

Subprogram: 2300 Reserve Fund

Program: Shared Expenses

Town of Lexington FY 2012 Program Budget

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 FY2012 Town Manager's budget recommends the appropriation of \$550,000 to the Appropriation Committee's Reserve Fund. This is a \$400,000 decrease from the FY2011 budget, as amended at the Fall 2010 Special Town Meeting. The additional appropriation of \$400,000 made at the Special Town Meeting was to compensate the fund for expenses incurred during the PCB mitigation at the Estabrook School. Staff has determined that the amount of \$550,000, in FY2012, is sufficient to meet unforeseen and extraordinary expenses without having to rely upon reserves such as free cash or stabilization fund.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

Focus on: Reserves

The Reserve Fund is just one of numerous reserves built into the FY2012 Town Manager's Recommended Budget. Other recommended reserves include:

- \$500,000 for funding the Town's OPEB (Other Post-Employment Benefits) liability.
- \$100,000 for uninsured losses (for the purpose of paying the Town's deductible and for uninsured losses).

Subprogram: 2300 Reserve Fund

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 532,500	\$ 550,000	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Directed Funding (Revolving Funds)	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total 2300 Reserve Fund	\$ 532,500	\$ 550,000	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 532,500	\$ 550,000	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%
Total 2300 Reserve Fund	\$ 532,500	\$ 550,000	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%

Level-Service Requests	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 2300 Reserve Fund	\$ 532,500	\$ 550,000	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%
Total 2300 Reserve Fund	\$ 532,500	\$ 550,000	\$ 950,000	\$ 550,000	\$ (400,000)	-42.11%

2400 Public Facilities

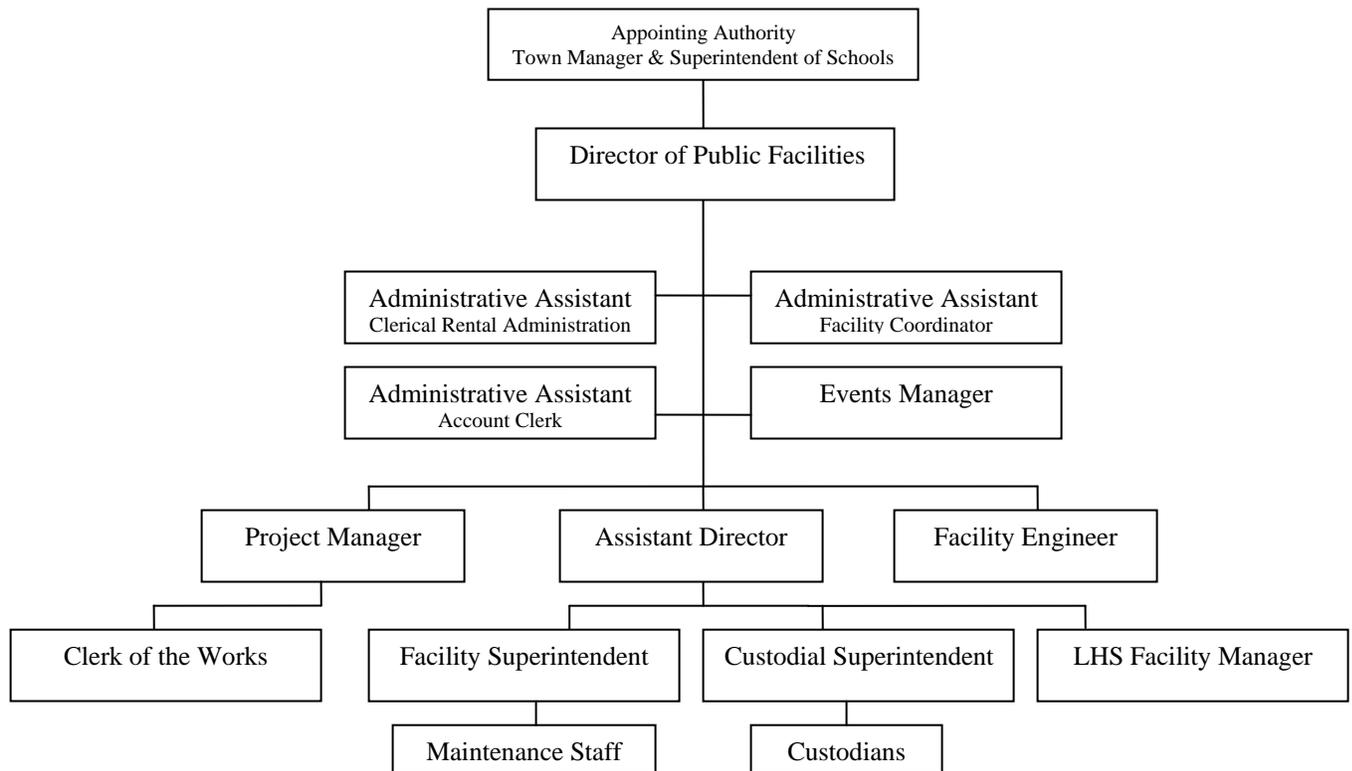
Mission: The mission of the Department of Public Facilities is to manage the efficient operation and maintenance of Town buildings, preserve the facility and equipment assets of the Town, and plan and implement capital improvements. This mission will be accomplished through establishing appropriate services 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 Organization: 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 Board of Selectmen, 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 Rental Revolving Fund are managed by the staff.

Departmental Initiatives:

1. Utilize work order and PM program to continuously improve equipment reliability.
2. Establish standards on service deliveries, and monitor performances, and identify opportunities for improvement.
3. Support Town-wide goals on facility energy efficiency, resulting in a Town -wide reduction in facility energy consumption.

2400 Public Facilities



Authorized/Appropriated Staffing

	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
School Facilities 2410				
Maintenance Staff	8	8	8	8
Custodian	44	44	44	47
Sub-total FTE	52	52	52	55
Municipal Facilities 2420				
Superintendent	0	0	0	0
Foreman	1	1	1	1
Technician	1	1	1	1
Custodian	5.4	5.4	5.4	5.4
Sub-total FTE	7.4	7.4	7.4	7.4
Shared Facilities 2430				
Administrative Asst - Facility Coordinator	1	1	1	1
Administrative Asst - Clerical/ Rental Administrator ¹	1	1	1	1
Administrative Asst - Account Clerk ²	1	1	1	1
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
Clerk of the Works ³	1	0	0	1
Facility Superintendent	1	1	1	1
Facility Engineer	1	1	1	1
Event Manager ⁵	0	0	0.4	0.4
LHS Facility Manager ⁴	0	0	1	1
Sub-total FTE	10	9	10.4	11.4
Total FTE	69.40	68.40	69.80	73.80
Total FT/PT	FT 69/PT 1	FT 68/PT 1	FT 69/PT 2	FT 73/PT 2

Notes:

- (1) Administrative Assistant for Clerical/ Rental Administrator is full time, 50% of wages funded from Rental Revolving Fund
- (2) Administrative Assistant - Account Clerk function was previously supplied by School Finance Department. DPF is now separate department and Clerk position filled August 2008.
- (3) Clerk of the Works position is a contract position for construction of Public Services building and funded through the Public Services project authorization. This position will be filled during FY 2012 if the Bridge/Bowman construction project is authorized.
- (4) LHS Facility Manager - Position previously in school department, transferred to Public Facilities beginning in FY 2011.
- (5) Event Manager - Part Time position funded from Rental Revolving fund to manage rental events and PEG Access Revolving Fund for broadcasting of public meetings and events.

2400 Public Facilities

Program: Shared Expenses
Town of Lexington, Massachusetts

Budget Recommendations:

The recommended budget is financed from two sources: the General Fund and the Rental Revolving Fund. The FY2012 recommended budget for all funds reflects a \$88,253 or 0.91 percent decrease over the FY11 budget. This includes a 186,725 or 4.68 percent increase in compensation and a \$274,978 or 4.85 percent decrease in expenses. This decrease in expenses is due to a projected \$341,600 decrease in extraordinary expenses related to PCB mitigation at Estabrook School. The non-Estabrook related expenses are increasing \$181,811.

This FY2011 budget presentation on page IV-18 does not include \$400,000 transferred to the Public Facilities department from the Appropriations Committee Reserve Fund for PCB mitigation at the Estabrook School.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. Utility expenses increase \$93,425, or a 2.98% increase, primarily due to increased distribution costs for electric and natural gas, higher fuel oil pricing, and reinstated sewer charges. Oil price increases are partially mitigated by converting schools (Estabrook (2009) and Central Administration (2010)) to natural gas.
2. Contracted cleaning costs have increased \$81,520 due to higher contracted cleaning services under State Contract. This contract is being evaluated and may be discontinued for FY2012.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

2400 Public Facilities

Program: Shared Expenses
Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 8,612,179	\$ 8,706,144	\$ 9,358,996	\$ 9,210,744	\$ (148,253)	-1.58%
Enterprise Funds (Indirects)	\$ 56,126	\$ 27,223	\$ 27,223	\$ 27,223	\$ -	0.00%
Revolving Fund						
Public Facilities Rental Revolving Fund	\$ 321,119	\$ 315,821	\$ 275,000	\$ 325,000	\$ 50,000	18.18%
LexMedia Revolving Fund	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	100.00%
Total 2400 Public Facilities	\$ 8,989,424	\$ 9,049,188	\$ 9,661,219	\$ 9,572,967	\$ (88,253)	-0.91%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 3,590,321	\$ 3,735,074	\$ 3,990,358	\$ 4,177,083	\$ 186,725	4.68%
Expenses	\$ 5,399,103	\$ 5,314,114	\$ 5,670,861	\$ 5,395,883	\$ (274,978)	-4.85%
Total 2400 Public Facilities	\$ 8,989,424	\$ 9,049,188	\$ 9,661,219	\$ 9,572,967	\$ (88,253)	-0.91%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 2410 Education Facilities	\$ 6,998,933	\$ 6,841,687	\$ 7,209,845	\$ 7,057,352	\$ (152,492)	-2.12%
Total 2420 Municipal Facilities	\$ 1,378,346	\$ 1,501,063	\$ 1,559,134	\$ 1,593,010	\$ 33,877	2.17%
Total 2430 Shared Facilities	\$ 612,146	\$ 706,437	\$ 892,241	\$ 922,604	\$ 30,363	3.40%
Total 2400 Public Facilities	\$ 8,989,424	\$ 9,049,188	\$ 9,661,219	\$ 9,572,967	\$ (88,253)	-0.91%

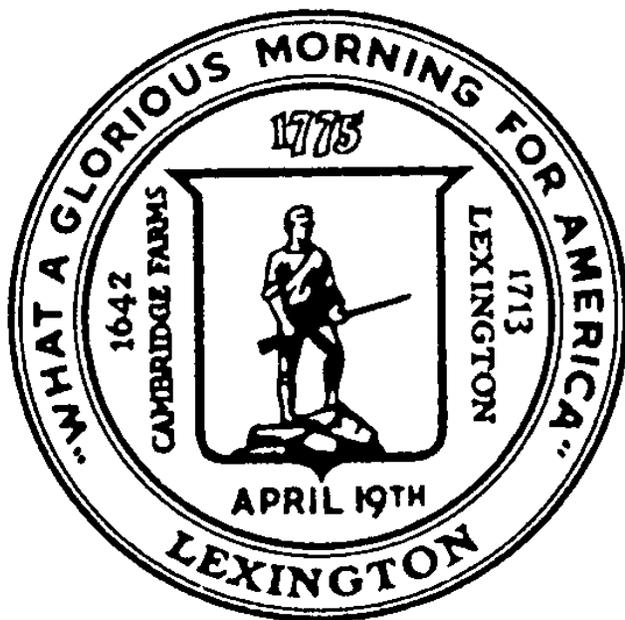
Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 3,255,799	\$ 3,363,091	\$ 3,667,539	\$ 3,840,054	\$ 172,515	4.70%
Overtime	\$ 334,523	\$ 371,983	\$ 322,819	\$ 337,029	\$ 14,210	4.40%
<i>Compensation</i>	<i>\$ 3,590,321</i>	<i>\$ 3,735,074</i>	<i>\$ 3,990,358</i>	<i>\$ 4,177,083</i>	<i>\$ 186,725</i>	<i>4.68%</i>
Contractual Services	\$ 750,798	\$ 1,573,545	\$ 2,005,184	\$ 1,616,449	\$ (388,735)	-19.39%
Utilities	\$ 3,449,763	\$ 3,233,999	\$ 3,138,834	\$ 3,232,259	\$ 93,425	2.98%
Supplies	\$ 1,083,972	\$ 453,575	\$ 408,343	\$ 460,675	\$ 52,332	12.82%
Small Capital	\$ 114,569	\$ 52,996	\$ 118,500	\$ 86,500	\$ (32,000)	-27.00%
<i>Expenses</i>	<i>\$ 5,399,103</i>	<i>\$ 5,314,114</i>	<i>\$ 5,670,861</i>	<i>\$ 5,395,883</i>	<i>\$ (274,978)</i>	<i>-4.85%</i>
Total 2400 Public Facilities	\$ 8,989,424	\$ 9,049,188	\$ 9,661,219	\$ 9,572,967	\$ (88,253)	-0.91%

Appropriations Summary (General Fund Only)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Personal Services	\$ 3,473,181	\$ 3,610,074	\$ 3,832,364	\$ 4,010,416	\$ 178,051	4.65%
Expenses	\$ 5,225,254	\$ 5,153,504	\$ 5,514,861	\$ 5,227,551	\$ (287,310)	-5.21%
Total 2400 Public Facilities	\$ 8,698,435	\$ 8,763,578	\$ 9,347,225	\$ 9,237,967	\$ (109,258)	-1.17%

Appropriations Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Personal Services	\$ 117,140	\$ 125,000	\$ 157,994	\$ 166,668	\$ 8,674	5.49%
Public Facilities Revolving Fund	\$ 117,140	\$ 125,000	\$ 157,994	\$ 156,668	\$ (1,326)	-0.84%
LexMedia Revolving Fund	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	
Expenses	\$ 173,849	\$ 160,609	\$ 156,000	\$ 168,332	\$ 12,332	7.68%
Public Facilities Revolving Fund	\$ 173,849	\$ 160,609	\$ 156,000	\$ 168,332	\$ 12,332	7.68%
Total 2400 Public Facilities	\$ 290,989	\$ 285,609	\$ 313,994	\$ 335,000	\$ 21,006	6.69%

Section V: Department of Public Works

Program 3000



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

Section V: Program 3000: Public Works

This section includes detailed information about the FY 2012 Recommended Budget & Financing Plan for Public Works (DPW). It includes:

- 3100 DPW Administration & Engineering V-2
- 3200 Highway V-6
- 3300 Public Grounds V-10
- 3400 Environmental Services V-14
- 3500 Transportation V-18
- 3600 Water Enterprise V-22
- 3700 Sewer Enterprise V-26

3100 DPW Administration & Engineering

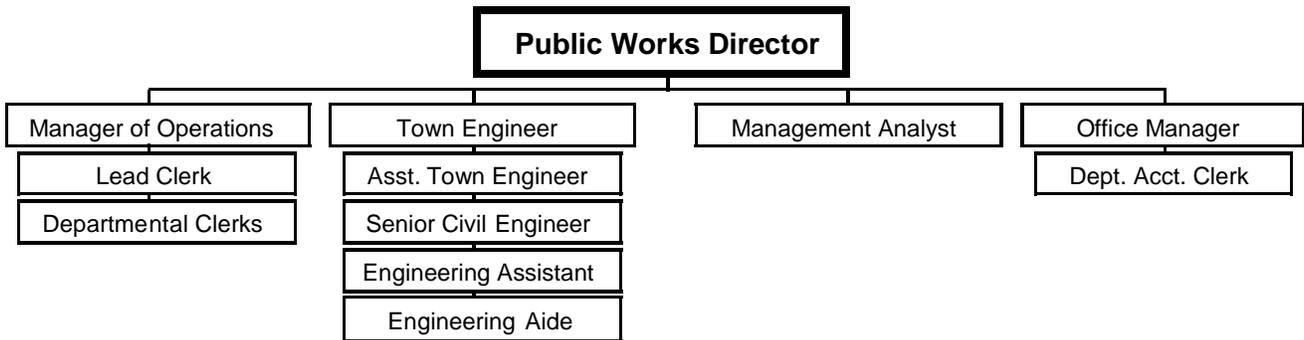
Mission: This element of the budget provides executive direction and leadership to all aspects of the Department of Public Works by promoting best management practices, administering Town policies and providing engineering support to other DPW divisions and Town departments.

Budget Organization: DPW Administration and Engineering includes Administration, Operations, Engineering and Street Lighting. Staff plans, manages, coordinates, schedules and directs the department's activities including: 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 supports various committees including the Center Committee, Sidewalk Committee, Energy Conservation Committee, Electric Utility Ad-Hoc Committee, Bicycle Advisory Committee and Water and Sewer Abatement Board.

Departmental Initiatives:

1. Continue the American Public Works Association self-assessment portion of the accreditation process.
2. Re-evaluate the Operations and Administration office assignments and functions and implement changes.
3. Investigate, find and eliminate sources of inflow and infiltration into the sanitary sewer system.
4. Continue outfall inspections and NPDES Phase II compliance.
5. Work with the Energy Conservation and Lighting Options Committees to review energy savings accrued from the street light conversion program implemented in FY2011.
6. Continue to proactively maintain a cost-effective lighting system that reduces outage frequency and down time and provides safety along Lexington's roadways.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Element 3110: DPW Administration					
Director of Public Works	1	1	1	1	1
Manager of Operations	1	1	1	1	1
Management Analyst	0.6	0.6	0.6	0.6	0.6
Office Manager	1	1	1	1	1
Department Lead Clerk	1	1	1	1	1
Department Account Clerk*	2.6	2.6	2.6	2.6	2.6
sub-total FTE	7.2	7.2	7.2	7.2	7.2
sub-total FT/PT	6FT/2 PT				
Element 3120: Engineering					
Town Engineer	1	1	1	1	1
Assistant Town Engineer	1	1	1	1	1
Senior Civil Engineer	1	1	1	1	1
Engineering Assistant	3	3	3	3	3
Engineering Aide	0.7	0.7	0.7	0.7	0.7
sub-total FTE	6.7	6.7	6.7	6.7	6.7
sub-total FT/PT	6 FT/1 PT				
Total FTE	13.9	13.9	13.9	13.9	13.9
Total Full/Part Time	12 FT/3 PT				

*1 FT Clerk split between DPW, Water & Sewer

Budget Recommendations:

The FY 2012 recommended budget reflects a \$116,558 or 7.82% decrease from the FY2011 restated budget. This is comprised of a 0.06% increase in compensation and a 23.89% decrease in expenses. At the time of the preparation of this budget recommendation, a wage adjustment/collective bargaining agreement with the members of Lexington Municipal Employees Association (L.M.E.A) has not been reached for FY 2012. No salary adjustments, therefore, are included for those employees in this budget.

The recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$634 net increase in compensation as the result of salary steps and contractual increases, which was offset by the reduction of \$7,580 in Street Lighting overtime.
2. \$135,632 decrease in expenses as a result of the savings from the street light conversion program.
3. \$11,440 increase in expenses as a result of the monitoring and inspection costs at the Hartwell Avenue landfill.

Program Improvement Requests Submitted by Department: None.

Program Improvement Requests Recommended for Funding: None.

3100 DPW Administration & Engineering

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 846,713	\$ 887,503	\$ 1,104,238	\$ 1,002,006	\$ (102,232)	-9.26%
Enterprise Funds (Indirects)	\$ 370,330	\$ 381,633	\$ 357,383	\$ 345,856	\$ (11,527)	-3.23%
Fees & Charges				\$ -	\$ -	0.00%
Parking Fund	\$ 2,465	\$ 2,580	\$ 3,200	\$ 3,200	\$ -	0.00%
Charges for Service	\$ 2,463	\$ 2,644	\$ 3,200	\$ 2,500	\$ (700)	-21.88%
Licenses & Permits	\$ 37,136	\$ 39,662	\$ 21,600	\$ 19,500	\$ (2,100)	-9.72%
Total 3100 DPW Oversight	\$ 1,259,107	\$ 1,314,022	\$ 1,489,621	\$ 1,373,062	\$ (116,558)	-7.82%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 918,415	\$ 966,117	\$ 999,026	\$ 999,659	\$ 634	0.06%
Expenses	\$ 340,692	\$ 347,904	\$ 490,595	\$ 373,403	\$ (117,192)	-23.89%
Total 3100 DPW Oversight	\$ 1,259,107	\$ 1,314,022	\$ 1,489,621	\$ 1,373,062	\$ (116,558)	-7.82%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 3110 DPW Administration	\$ 485,797	\$ 508,003	\$ 530,554	\$ 531,811	\$ 1,257	0.24%
Total 3120 Engineering	\$ 480,454	\$ 541,610	\$ 558,060	\$ 575,877	\$ 17,817	3.19%
Total 3130 Street Lighting	\$ 292,856	\$ 264,409	\$ 401,007	\$ 265,375	\$ (135,632)	-33.82%
Total 3100 DPW Oversight	\$ 1,259,107	\$ 1,314,022	\$ 1,489,621	\$ 1,373,062	\$ (116,558)	-7.82%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 902,464	\$ 948,208	\$ 980,040	\$ 987,619	\$ 7,580	0.77%
Overtime	\$ 15,951	\$ 17,909	\$ 18,986	\$ 12,040	\$ (6,946)	-36.59%
<i>Personal Services</i>	<i>\$ 918,415</i>	<i>\$ 966,117</i>	<i>\$ 999,026</i>	<i>\$ 999,659</i>	<i>\$ 634</i>	<i>0.06%</i>
Contractual Services	\$ 98,150	\$ 94,151	\$ 150,177	\$ 243,517	\$ 93,340	62.15%
Utilities	\$ 221,865	\$ 222,214	\$ 302,558	\$ 102,126	\$ (200,432)	-66.25%
Supplies	\$ 20,677	\$ 31,539	\$ 36,000	\$ 25,900	\$ (10,100)	-28.06%
Small Capital	\$ -	\$ -	\$ 1,860	\$ 1,860	\$ -	0.00%
Expenses	\$ 340,692	\$ 347,904	\$ 490,595	\$ 373,403	\$ (117,192)	-23.89%
Total 3100 DPW Oversight	\$ 1,259,107	\$ 1,314,022	\$ 1,489,621	\$ 1,373,062	\$ (116,558)	-7.82%

3200 Highway

Mission: The Highway Division maintains the town streets, sidewalks and storm water inlets, providing for the safe movement of vehicular traffic. The Division performs minor construction repairs, removes snow and ice from streets, installs traffic signs and lane or line markers and supervises the work of contractual service providers who perform repairs, cleaning and maintenance work. In addition, the Road Machinery Division ensures that the Town's fleet is operational and well maintained by providing a repair, maintenance and fuel management program.

Budget Organization: The Highway Division includes Highway Maintenance, Road Machinery and Snow Removal.

Highway Maintenance is responsible for all public streets, sidewalks, Town parking lots, drains and brooks, minor construction repairs, traffic sign installation, lane or line markings, and catch basin cleaning.

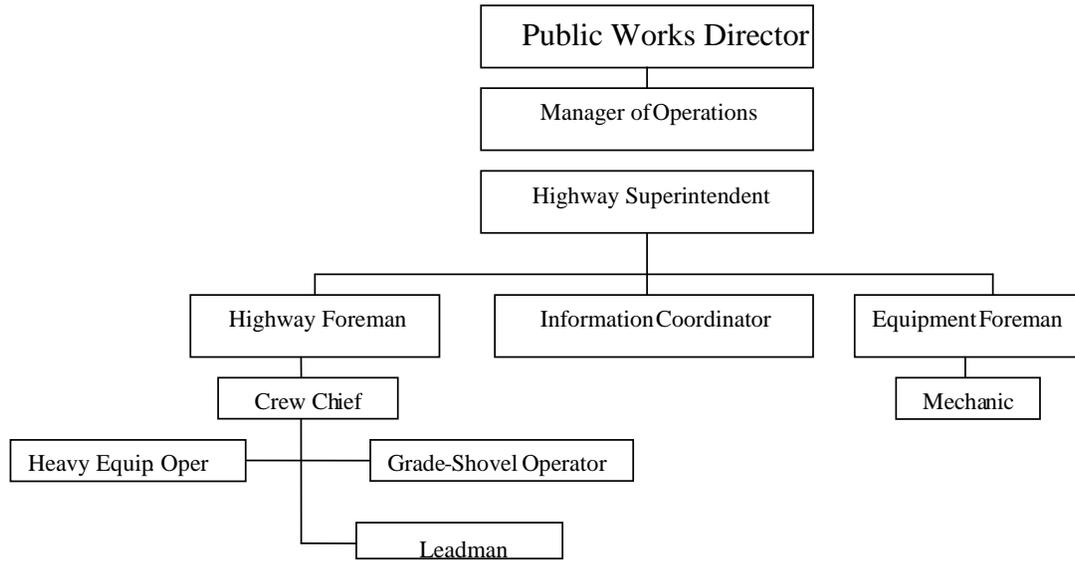
Road Machinery is responsible for the repair and preventive maintenance of 160 vehicles, rolling stock and equipment.

Snow Removal is responsible for removing snow and treating 153 lane miles of roads and 60 miles of sidewalks.

Highway Division employees work with and provide staff support to the Sidewalk and Center Committees.

Departmental Initiatives:

1. Continue to develop a comprehensive drainage maintenance program.
2. Establish best practices in new DPW Facility mechanics shop.
3. Continue to review efficiency and cost-effectiveness of contracting out vs. inhouse repairs of vehicles.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Element 3210: Highway Maintenance					
Supt. of Equipment, Highways & Drains	1	1	1	1	1
Highway Foreman	0	0	0	0	1
Crew Chief	3	3	2	2	2
Laborer-Truck Driver	0	0	1	0	0
Heavy Equipment Operators/Painters	7	7	4	5	4
Leadman	0	0	3	3	3
Grader-Shovel Operator	1	1	1	1	1
Information Coordinator	1	1	1	1	1
Seasonal Laborer	1.2	1.2	1.2	1.2	1.2
sub-total FTE	14.2	14.2	14.2	14.2	14.2
sub-total FT/PT	13 FT/2 PT				
Element 3220: Road Machinery					
Equipment Foreman	1	1	1	1	1
Mechanic	3	3	3	3	3
sub-total FTE	4	4	4	4	4
sub-total FT/PT	4 FT/0 PT				
Total FTE	18.2	18.2	18.2	18.2	18.2
Total Full/Part Time	17 FT/2 PT				

Budget Recommendations:

The FY 2012 recommended budget reflects a \$174,712, or 6.30% increase over the FY2011 restated budget. This is comprised of a 7.31% increase in compensation and a 5.70% increase in expenses.

Level Services: This is a level-service budget. The significant changes include:

1. A \$22,594 increase in compensation as a result of salary step and contractual increases.
2. A \$8,179 increase in the cost of gasoline and diesel fuel.
3. A \$30,000 increase in expenses to fund the increase cost of catch basin repairs.
4. A \$104,089 increase to better fund the Town's snow and ice removal operations.

Program Improvement Requests Submitted by Department:

1. \$4,950 for the purchase of new traffic signs.
2. \$4,900 for the purchase of a new road saw.

Program Improvement Requests Recommended for Funding:

1. \$4,950 for the purchase of new traffic signs.
2. \$4,900 for the purchase of a new road saw.

3200 Highway

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 3,564,444	\$ 2,716,631	\$ 2,536,781	\$ 2,718,023	\$ 181,242	7.14%
Enterprise Funds (Indirects)	\$ 343,241	\$ 353,717	\$ 202,450	\$ 195,920	\$ (6,530)	-3.23%
Fees & Charges						
Parking Fund	\$ 31,983	\$ 31,983	\$ 31,983	\$ 31,983	\$ -	0.00%
Total 3200 Highway	\$ 3,939,668	\$ 3,102,331	\$ 2,771,214	\$ 2,945,926	\$ 174,712	6.30%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,424,198	\$ 1,186,817	\$ 1,036,274	\$ 1,112,072	\$ 75,798	7.31%
Expenses	\$ 2,515,470	\$ 1,915,514	\$ 1,734,940	\$ 1,833,854	\$ 98,914	5.70%
Total 3200 Highway	\$ 3,939,668	\$ 3,102,331	\$ 2,771,214	\$ 2,945,926	\$ 174,712	6.30%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 3210 Highway Maintenance	\$ 881,350	\$ 954,129	\$ 1,094,817	\$ 1,153,488	\$ 58,670	5.36%
Total 3220 Road Machinery	\$ 783,510	\$ 751,113	\$ 688,952	\$ 700,904	\$ 11,953	1.73%
Total 3230 Snow Removal	\$ 2,274,808	\$ 1,397,088	\$ 987,445	\$ 1,091,534	\$ 104,089	10.54%
Total 3200 Highway	\$ 3,939,668	\$ 3,102,331	\$ 2,771,214	\$ 2,945,926	\$ 174,712	6.30%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,022,795	\$ 857,917	\$ 916,832	\$ 919,158	\$ 2,326	0.25%
Overtime	\$ 401,403	\$ 328,900	\$ 119,442	\$ 192,914	\$ 73,472	61.51%
<i>Compensation</i>	<i>\$ 1,424,198</i>	<i>\$ 1,186,817</i>	<i>\$ 1,036,274</i>	<i>\$ 1,112,072</i>	<i>\$ 75,798</i>	<i>7.31%</i>
Contractual Services	\$ 1,267,448	\$ 844,876	\$ 690,030	\$ 770,030	\$ 80,000	11.59%
Utilities	\$ 303,189	\$ 186,109	\$ 244,019	\$ 253,083	\$ 9,064	3.71%
Supplies	\$ 898,009	\$ 862,128	\$ 747,391	\$ 757,241	\$ 9,850	1.32%
Small Capital	\$ 46,823	\$ 22,401	\$ 53,500	\$ 53,500	\$ -	0.00%
<i>Expenses</i>	<i>\$ 2,515,470</i>	<i>\$ 1,915,514</i>	<i>\$ 1,734,940</i>	<i>\$ 1,833,854</i>	<i>\$ 98,914</i>	<i>5.70%</i>
Total 3200 Highway	\$ 3,939,668	\$ 3,102,331	\$ 2,771,214	\$ 2,945,926	\$ 174,712	6.30%

3300 Public Grounds

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

Budget Organization: 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 and 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.

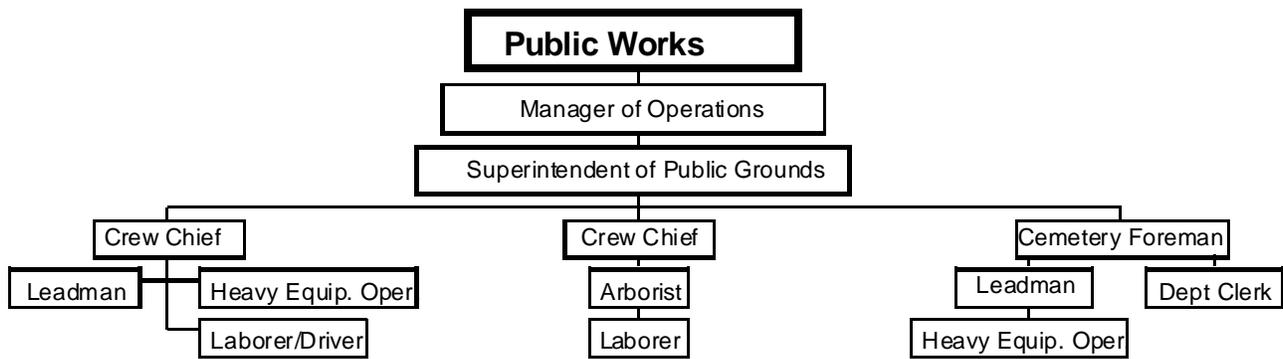
The Forestry staff maintains approximately 10,000 street trees, an undetermined number of trees on Park and Conservation lands and numerous shrub bed plantings on park, cemetery, school and conservation properties and along right-of-ways.

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 .5 acres in Robbins.

Staff works with the Recreation, Tree and Bike Path Advisory Committees.

Departmental Initiatives:

1. Continue the implementation of a proactive park maintenance program to provide safe, well-maintained, aesthetically pleasing park, athletic field and public grounds areas.
2. Develop a program to improve two turf areas per year.
3. Develop a program to plant at least seventy trees per year in the Town Right-of Ways and park and public grounds areas. It is anticipated that some of the trees for FY 2012 planting will come from the Tree Nursery.
4. Continue the implementation of a proactive tree maintenance program to minimize hazard trees and perform timely tree pruning to promote good tree health, safety and aesthetics.
5. Complete the irrigation system on existing turf areas at Westview Cemetery.
6. Plan for future expansion at Westview Cemetery.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Element 3310: Parks Division					
Superintendent of Public Grounds	1	1	1	1	1
Crew Chief	4	4	4	4	4
Leadman	2	2	2	2	2
Heavy Equipment Operator	6	8	8	8	8
Laborer-Truck Driver	2	0	0	0	0
sub-total FTE	15	15	15	15	15
sub-total FT/PT	15 FT/0 PT				
Element 3320: Forestry Division					
Crew Chief	1	1	1	1	1
Senior Arborist	2	2	2	2	2
Laborer-Tree Climber	1	1	1	1	1
sub-total FTE	4	4	4	4	4
sub-total FT/PT	4 FT/0 PT				
Element 3330: Cemetery Division					
Cemetery Foreman	1	1	1	1	1
Crew Chief	1	1	1	0	0
Leadman	0	0	0	1	1
Heavy Equipment Operator	1	1	1	1	1
Department Clerk	1	1	1	1	1
Seasonal Laborer*	0	0	0.6	0.6	0.6
sub-total FTE	4	4	4.6	4.6	4.6
sub-total FT/PT	4 FT/0 PT	4 FT/0 PT	4 FT/2 PT	4 FT/2 PT	4 FT/2 PT
Total FTE	23	23	23.6	23.6	23.6
Total Full/Part Time	23 FT/0 PT	23 FT/0 PT	23 FT/2 PT	23 FT/2 PT	23 FT/2 PT

*Seasonal Laborers in 3330 Cemetery have been funded since FY2009.

3300 Public Grounds

Budget Recommendations:

The FY 2012 recommended budget reflects a \$36,042 or 2.39% increase over the FY2011 restated budget for the General Fund and Revolving Funds. This is comprised of a 1.10% increase in compensation and a 7.13% increase in expenses.

The recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. A \$13,062 increase in compensation as the result of salary step and contractual increases.
2. A \$16,000 increase in expenses for turf maintenance.
3. A \$15,000 increase in expenses for Minuteman Bikeway maintenance.

Program Improvement Requests Submitted by Department:

1. \$16,000 for Turf Maintenance
2. \$15,000 for Minuteman Bikeway Maintenance

Program Improvement Requests Recommended for Funding:

1. \$16,000 for Turf Maintenance
2. \$15,000 for Minuteman Bikeway Maintenance

3300 Public Grounds

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 911,815	\$ 1,013,491	\$ 1,086,104	\$ 1,119,457	\$ 33,354	3.07%
Enterprise Funds (Indirects)	\$ 100,000	\$ 100,000	\$ 121,296	\$ 117,384	\$ (3,912)	-3.23%
Fees & Charges						0.00%
Fees	\$ 129,936	\$ 150,120	\$ 127,600	\$ 134,200	\$ 6,600	5.17%
Directed Funding						0.00%
Cemetery Trust	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ -	0.00%
Revolving Funds						0.00%
Burial Containers	\$ 29,905	\$ 29,162	\$ 35,000	\$ 35,000	\$ -	0.00%
Tree	\$ 4,764	\$ 4,108	\$ 20,000	\$ 20,000	\$ -	0.00%
Total 3300 Public Grounds	\$ 1,296,420	\$ 1,416,881	\$ 1,510,000	\$ 1,546,041	\$ 36,042	2.39%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,046,261	\$ 1,075,939	\$ 1,187,761	\$ 1,200,822	\$ 13,062	1.10%
Expenses	\$ 250,159	\$ 340,942	\$ 322,239	\$ 345,219	\$ 22,980	7.13%
Total 3300 Public Grounds	\$ 1,296,420	\$ 1,416,881	\$ 1,510,000	\$ 1,546,041	\$ 36,042	2.39%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 3310 Parks Divison	\$ 795,854	\$ 901,066	\$ 922,055	\$ 947,275	\$ 25,220	2.74%
Total 3320 Forestry	\$ 215,603	\$ 221,370	\$ 283,211	\$ 288,826	\$ 5,615	1.98%
Total 3330 Cemetery	\$ 284,963	\$ 294,445	\$ 304,733	\$ 309,940	\$ 5,207	1.71%
Total 3300 Public Grounds	\$ 1,296,420	\$ 1,416,881	\$ 1,510,000	\$ 1,546,041	\$ 36,042	2.39%

Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 962,157	\$ 966,095	\$ 1,118,529	\$ 1,130,646	\$ 12,117	1.08%
Overtime	\$ 84,104	\$ 109,845	\$ 69,232	\$ 70,176	\$ 944	1.36%
Compensation	\$ 1,046,261	\$ 1,075,939	\$ 1,187,761	\$ 1,200,822	\$ 13,062	1.10%
Contractual Services	\$ 107,240	\$ 166,624	\$ 139,740	\$ 127,831	\$ (11,909)	-8.52%
Utilities	\$ 14,802	\$ 11,174	\$ 20,188	\$ 20,188	\$ -	0.00%
Supplies	\$ 119,622	\$ 157,797	\$ 155,711	\$ 190,200	\$ 34,489	22.15%
Small Capital	\$ 8,495	\$ 5,348	\$ 6,600	\$ 7,000	\$ 400	6.06%
Expenses	\$ 250,159	\$ 340,942	\$ 322,239	\$ 345,219	\$ 22,980	7.13%
Total 3300 Public Grounds	\$ 1,296,420	\$ 1,416,881	\$ 1,510,000	\$ 1,546,041	\$ 36,042	2.39%

Appropriation Summary (General Fund Only)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,046,261	\$ 1,075,939	\$ 1,187,761	\$ 1,200,822	\$ 13,062	1.10%
Expenses	\$ 215,490	\$ 307,672	\$ 267,239	\$ 290,219	\$ 22,980	8.60%
Total 3300 Public Grounds	\$ 1,261,751	\$ 1,383,611	\$ 1,455,000	\$ 1,491,041	\$ 36,042	2.48%

Appropriation Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 34,669	\$ 33,270	\$ 55,000	\$ 55,000	\$ -	0.00%
Total 3320 Forestry	\$ 4,764	\$ 4,108	\$ 20,000	\$ 20,000	\$ -	0.00%
Total 3330 Cemetery	\$ 29,905	\$ 29,162	\$ 35,000	\$ 35,000	\$ -	0.00%
Total 3300 Public Grounds	\$ 34,669	\$ 33,270	\$ 55,000	\$ 55,000	\$ -	0.00%

3400 Environmental Services

Mission: The Environmental Services Division manages the solid waste generated by residents. 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 Organization: The Environmental Services Division includes Refuse, Recycling, Yard waste and appliance/electronic waste collection and refuse disposal.

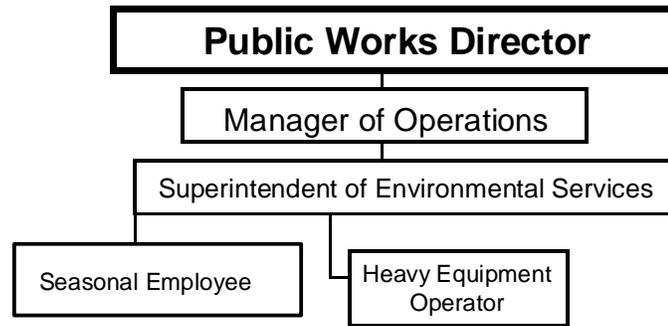
Refuse collection is the curbside collection of non-recyclable residential solid waste and the separate collection of large appliances and yard waste. FY2012, begins the fifth year of contractual services by JRM Hauling and Recycling Inc. for the collection and transportation of solid waste.

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. FY2012, begins the fifth year of contractual services by JRM Hauling and Recycling Inc. for the collection and transportation of recyclables.

Refuse disposal is the disposal of the Town's solid waste. The Town is currently under contract with Wheelabrator in North Andover for this service. This contract ends on June 30, 2015.

Departmental Initiatives:

1. Determine logistic and permit feasibility of anaerobic digestion of source-separated organics at Hartwell Avenue.
2. Develop RFP for a commercial organics facility at Hartwell Avenue
3. Develop curbside refuse & recycling collection RFP for Lexington including neighboring communities as a regional contract for FY2013.
4. Conduct cost-benefit analysis of single-stream (no separation of materials) recycling collection in Lexington.
5. Continue implementation of "Visible Recyclables Ban" and examine feasibility of enforcing mandatory recycling by-law.
6. Expand recycling options in municipal and school buildings.
7. Explore recycling access for businesses.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Element 3420: Recycling (Compost Facility)					
Superintendent of Environmental Services	1	1	1	1	1
Heavy Equipment Operator	1	1	1	1	2
Seasonal	0.4	0.4	0.7	0.7	0.7
sub-total FTE	2.4	2.4	2.7	2.7	3.7
sub-total FT/PT	2 FT/1 PT*	2 FT/1 PT*	2 FT/1 PT*	2 FT/1 PT*	3 FT/1 PT*
Total FTE	2.4	2.4	2.7	2.7	3.7
Total Full/Part Time	2 FT/1 PT	2 FT/1 PT	2 FT/1 PT	2 FT/1 PT	3 FT/1 PT

*Seasonal Laborers in 3330 Cemetery have been funded since FY2009.

Notes:

*Positions paid out of DPW Compost Operations Revolving Fund.

3400 Environmental Services**Budget Recommendations:**

The FY 2012 recommended budget reflects a \$82,049 or 3.02 percent increase over the FY11 restated budget (all funds). The Environmental Services program is comprised of the General and two Revolving funds. The General fund expenses increased by \$46,360, a 2.16 percent increase because of solid waste and recycling contractual obligations. The Revolving accounts fund the Town's composting operations and household hazardous waste program. The Compost Revolving account decreased by \$16,311 or 2.84 percent due to a one-time capital project funded in FY2011.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$11,770 increase in expenses due to the increased cost of Town's recycling contract.
2. \$9,790 increase in expenses due to the increased cost of the Town's refuse collection contract.
3. \$24,800 increase in expenses due to the increased cost of the Town's refuse disposal contract.
4. \$82,000 decrease in the expense line due to the one-time security system capital project for the for the compost facility.
5. \$ 55,990 in order to hire a Heavy Equipment Operator for the Compost Facility (Revolving Fund).
6. \$52,000 for engineering, legal and consulting services to evaluate the feasibility of an anaerobic digestion facility at the Hartwell Avenue Compost Site.

Program Improvement Requests Submitted by Department:

1. \$ 55,990 in order to hire a Heavy Equipment Operator for the Compost Facility.

Program Improvement Requests Recommended for Funding:

2. \$ 55,990 in order to hire a Heavy Equipment Operator for the Compost Facility.

3400 Environmental Services

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 1,955,664	\$ 1,924,963	\$ 1,968,450	\$ 2,014,810	\$ 46,360	2.36%
Revolving Funds						
Composting Operations	\$ 372,237	\$ 455,104	\$ 575,162	\$ 610,851	\$ 35,689	6.21%
MHHP Operations	\$ 138,538	\$ 162,154	\$ 175,000	\$ 175,000	\$ -	0.00%
Total 3400 Environmental Services	\$ 2,466,439	\$ 2,542,222	\$ 2,718,612	\$ 2,800,661	\$ 82,049	3.02%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 149,115	\$ 156,142	\$ 148,790	\$ 192,525	\$ 43,735	29.39%
Expenses	\$ 2,286,005	\$ 2,303,761	\$ 2,489,524	\$ 2,512,810	\$ 23,286	0.94%
Benefits	\$ 31,319	\$ 33,668	\$ 34,805	\$ 50,668	\$ 15,863	45.58%
Debt	\$ -	\$ 48,650	\$ 45,492	\$ 44,658	\$ (834)	-1.83%
Total 3400 Environmental Services	\$ 2,466,439	\$ 2,542,222	\$ 2,718,612	\$ 2,800,661	\$ 82,049	3.02%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 3410 Refuse Collection	\$ 725,000	\$ 725,000	\$ 744,500	\$ 754,290	\$ 9,790	1.31%
Total 3420 Recycling	\$ 1,125,684	\$ 1,236,797	\$ 1,380,112	\$ 1,427,571	\$ 47,459	3.44%
Total 3430 Refuse Disposal	\$ 615,755	\$ 580,425	\$ 594,000	\$ 618,800	\$ 24,800	4.18%
Total 3400 Environmental Services	\$ 2,466,439	\$ 2,542,222	\$ 2,718,612	\$ 2,800,661	\$ 82,049	3.02%

Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 126,241	\$ 128,921	\$ 128,174	\$ 171,587	\$ 43,413	33.87%
Overtime	\$ 22,874	\$ 27,221	\$ 20,616	\$ 20,938	\$ 322	1.56%
Compensation	\$ 149,115	\$ 156,142	\$ 148,790	\$ 192,525	\$ 43,735	29.39%
Contractual Services	\$ 2,267,426	\$ 2,277,724	\$ 2,384,424	\$ 2,489,710	\$ 105,286	4.42%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies	\$ 18,579	\$ 26,037	\$ 23,100	\$ 23,100	\$ -	0.00%
Small Capital	\$ -	\$ -	\$ 82,000	\$ -	\$ (82,000)	-100.00%
Expenses	\$ 2,286,005	\$ 2,303,761	\$ 2,489,524	\$ 2,512,810	\$ 23,286	0.94%
Debt	\$ -	\$ 48,650	\$ 45,492	\$ 44,658	\$ (834)	-1.83%
Benefits	\$ 31,319	\$ 33,668	\$ 34,805	\$ 50,668	\$ 15,863	45.58%
Total 3400 Environmental Services	\$ 2,466,439	\$ 2,542,222	\$ 2,718,612	\$ 2,800,661	\$ 82,049	3.02%

Appropriation Summary (General Fund)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 2,094,202	\$ 2,087,117	\$ 2,143,450	\$ 2,189,810	\$ 46,360	2.16%
Total 3400 Environmental Services	\$ 2,094,202	\$ 2,087,117	\$ 2,143,450	\$ 2,189,810	\$ 46,360	2.16%

Appropriation Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation						
3420 Recycling: Compost Revolving Fund	\$ 149,115	\$ 156,142	\$ 148,790	\$ 192,525	\$ 43,735	29.39%
Expenses						
3420 Recycling: Compost Revolving Fund	\$ 74,713	\$ 73,541	\$ 171,074	\$ 148,000	\$ (23,074)	-13.49%
3420 Recycling: MHHP Revolving Fund	\$ 117,090	\$ 143,103	\$ 175,000	\$ 175,000	\$ -	0.00%
Benefits						
3420 Recycling: Compost Revolving Fund	\$ 31,319	\$ 33,668	\$ 34,805	\$ 50,668	\$ 15,863	45.58%
Debt						
3420 Recycling: Compost Revolving Fund	\$ -	\$ 48,650	\$ 45,492	\$ 44,658	\$ (834)	-1.83%
Total 3400 Environmental Services	\$ 372,237	\$ 455,104	\$ 575,162	\$ 610,851	\$ 35,689	6.21%

3500 Transportation

Program: Public Works
Town of Lexington, Massachusetts

Mission: The Transportation Services Office provides transportation and parking services to local businesses and neighborhoods. Services emphasize the needs of seniors, students and persons with special needs.

Budget Organization: The Transportation Office includes Lexpress and the Parking Operations in Lexington Center.

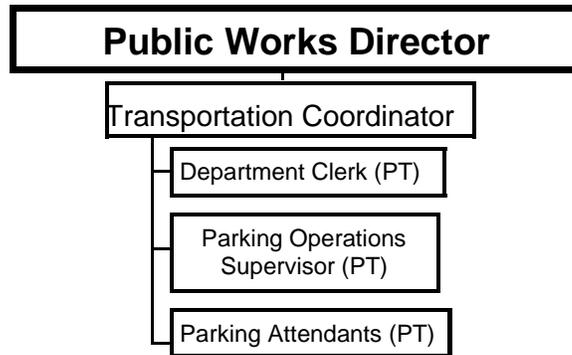
The Lexpress neighborhood mini-bus system is funded through several sources. Of the \$558,757 request for Lexpress in FY 2012, \$309,107 comes from the tax levy. Additional funding for Lexpress includes an MBTA subsidy of \$80,000, estimated fare revenue of \$93,800, and Transportation Demand Management funds of \$83,500. This budget reflects 8,937 hours of community mini-bus service. FY2012 will be the second of two renewal option years stipulated in the original three-year contract with Joseph's Transportation & Limousine to provide Lexpress service.

Parking Operations includes the management and operation of the three town parking lots, including the Depot Square lot, and the Lexington Center parking permit program. It includes the Town Hall parking program and coordination of the traffic safety functions between Town departments. The Transportation Coordinator serves as staff liaison to the Traffic Safety Advisory Committee.

Transportation staff works with the Transportation Advisory Committee, Traffic Safety Advisory Committee, and the Traffic Mitigation Group.

Departmental Initiatives:

1. Increase ridership on Lexpress.
2. Promote community awareness of Lexpress routes.
3. Continue to adapt Lexpress service to the needs of the community.
4. Bid contract to select new Lexpress bus contractor, effective FY2013.
5. Publicize regional transportation options.
6. Maintain a viable mix of long-term and short-term parking in the Center Business District.
7. Promote community awareness of the Center parking permit program.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Element 3510: Lexpress					
Transportation Coordinator*	0.5	0.5	0.5	0.5	0.5
Department Clerk	0.3	0.3	0.3	0.3	0.3
sub-total FTE	0.8	0.8	0.8	0.8	0.8
sub-total FT/PT	1 FT/1 PT				
Element 3520: Parking Operations					
Transportation Coordinator*	0.5	0.5	0.5	0.5	0.5
Department Clerk	0.3	0.3	0.3	0.3	0.3
Parking Attendant Supervisor	0.5	0.5	0.4	0.4	0.4
Parking Attendant	2.2	2.2	2.3	2.3	2.3
sub-total FTE	3.5	3.5	3.5	3.5	3.5
sub-total FT/PT	0 FT/8 PT				
Total FTE	4.3	4.3	4.3	4.3	4.3
Total Full/Part Time	1 FT/9 PT				
Total FTE	70.2	61.8	62.7	62.7	62.7
Total Full/Part Time	64 FT/12 PT	55 FT/15 PT	55 FT/17 PT	55 FT/17 PT	55 FT/17 PT

Explanatory Notes

* Full-time position split between Lexpress and Parking

Budget Recommendations:

The FY 2012 recommended budget reflects a \$25,254 or 3.73% increase over the FY11 restated budget. This is comprised of a 4.37% increase in compensation and a 3.54% increase in expenses.

The recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$6,547 increase in compensation as a result of salary step and contractual increases.
2. \$18,572 increase in expenses related to Lexpress contractual services.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

3500 Transportation

Program: Public Works
Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 242,684	\$ 240,535	\$ 284,152	\$ 309,107	\$ 24,954	8.78%
Fees & Charges				\$ -		
Lexpress Fares	\$ 97,891	\$ 92,089	\$ 94,000	\$ 93,800	\$ (200)	-0.21%
TDM Allocation	\$ 61,000	\$ 72,000	\$ 83,000	\$ 83,500	\$ 500	0.60%
Parking Meter Fund	\$ 136,349	\$ 136,349	\$ 136,349	\$ 136,349	\$ -	0.00%
Grants (MBTA)	\$ 72,480	\$ 72,049	\$ 80,000	\$ 80,000	\$ -	0.00%
Total 3500 Transportation	\$ 610,404	\$ 613,022	\$ 677,501	\$ 702,756	\$ 25,254	3.73%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 137,274	\$ 140,428	\$ 149,696	\$ 156,244	\$ 6,547	4.37%
Expenses	\$ 473,131	\$ 472,594	\$ 527,805	\$ 546,512	\$ 18,707	3.54%
Total 3500 Transportation	\$ 610,404	\$ 613,022	\$ 677,501	\$ 702,756	\$ 25,254	3.73%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 3510 Lexpress	\$ 485,589	\$ 485,263	\$ 538,186	\$ 558,757	\$ 20,572	3.82%
Total 3520 Parking Operations	\$ 124,816	\$ 127,759	\$ 139,316	\$ 143,999	\$ 4,683	3.36%
Total 3500 Transportation	\$ 610,404	\$ 613,022	\$ 677,501	\$ 702,756	\$ 25,254	3.73%

Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 137,274	\$ 140,428	\$ 149,696	\$ 156,244	\$ 6,547	4.37%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Compensation</i>	<i>\$ 137,274</i>	<i>\$ 140,428</i>	<i>\$ 149,696</i>	<i>\$ 156,244</i>	<i>\$ 6,547</i>	<i>4.37%</i>
Contractual Services	\$ 468,563	\$ 468,637	\$ 516,905	\$ 535,512	\$ 18,607	3.60%
Utilities	\$ 3,317	\$ 2,989	\$ 4,000	\$ 4,000	\$ -	0.00%
Supplies	\$ 1,250	\$ 968	\$ 6,900	\$ 7,000	\$ 100	1.45%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Expenses</i>	<i>\$ 473,131</i>	<i>\$ 472,594</i>	<i>\$ 527,805</i>	<i>\$ 546,512</i>	<i>\$ 18,707</i>	<i>3.54%</i>
Total 3500 Transportation	\$ 610,404	\$ 613,022	\$ 677,501	\$ 702,756	\$ 25,254	3.73%

Appropriation Summary (General Fund)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 137,274	\$ 140,428	\$ 149,696	\$ 156,244	\$ 6,547	4.37%
Expenses	\$ 400,651	\$ 400,545	\$ 447,805	\$ 466,512	\$ 18,707	4.18%
Total 3500 Transportation	\$ 537,924	\$ 540,973	\$ 597,501	\$ 622,756	\$ 25,254	4.23%

Appropriation Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 72,480	\$ 72,049	\$ 80,000	\$ 80,000	\$ -	0.00%
Total 3510 Lexpress	\$ 72,480	\$ 72,049	\$ 80,000	\$ 80,000	\$ -	0.00%
Total 3500 Transportation	\$ 72,480	\$ 72,049	\$ 80,000	\$ 80,000	\$ -	0.00%

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

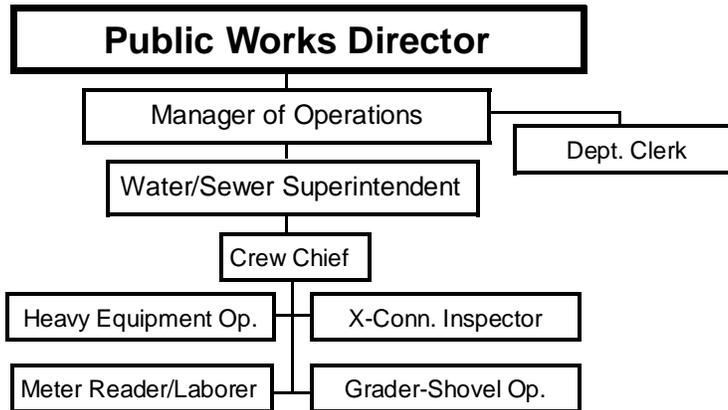
The Water Operations maintains and repairs the water system that delivers water to Lexington homes and businesses through 154 miles of water mains, 1500 fire hydrants and two water towers that store 3.24 million gallons of water. The Town has a three-block inclining rate structure to encourage water 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, 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 FY07, the \$500,000 payment-in-lieu of taxes (PILOT) began to be reduced by \$125,000 annually by the Board of Selectmen. As of FY2011 Water Operating Expenses no longer includes a PILOT payment to the General Fund. The Indirect Support from the Water Enterprise Fund to the General Fund has also been reduced by \$ 38,776 to more accurately reflect the true costs of this General Fund support.

Departmental Initiatives:

1. Continue with the Hydrant Maintenance Program.
2. Continue seeking out the last 2 percent of meters that have not been replaced.
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. Update all the "paper tie cards" for GIS implementation.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Superintendent of Water & Sewer	0.5	0.5	0.5	0.5	0.5
Crew Chief	2	2	2	2	2
Grader-Shovel Operator	1	1	1	1	1
Leadman/Cross Connector Inspector	2	2	2	2	2
Heavy Equipment Operator	3	4	4	4	4
Laborer-Truck Driver	0	0	0	0	0
Department Clerk	0.2	0.2	0.2	0.2	0.2
Meter Reader/Laborer	2	1	1	1	1
Total FTE	10.7	10.7	10.7	10.7	10.7
Total Full/Part Time	10 FT/2 PT				

3600 Water Enterprise

Budget Recommendations:

The FY 2012 recommended budget reflects a \$232,511 or 3.01 percent decrease over the FY11 budget. This is comprised of a 0.63 percent decrease in compensation, a 0.32 percent decrease in expenses, and a 0.80 percent increase in debt service. The MWRA water assessment, the largest part of this budget, is increasing 5.63 percent over FY2011.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

- 1) \$38,776 decrease in the indirect cost payment from the Water Enterprise Fund to the General Fund. This is the result of the Finance Department analyzing Water Division indirect costs and bringing the payment in line with actual costs.
- 2) \$9,573 increase in debt service for previously authorized capital projects and proposed capital projects shown in Section XI of this budget, including the new Public Services Facility.
- 3) \$266,998 increase in the Town's MWRA Assessment. This is a preliminary assessment; a final number will be release in the summer.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

3600 Water Enterprise

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ -	\$ -	\$ -	\$ -		
Enterprise Funds						
Retained Earnings	\$ 463,050	\$ 525,000	\$ 450,000	\$ -	\$ (450,000)	-100.00%
User Charges	\$ 6,710,155	\$ 6,664,473	\$ 7,025,254	\$ 7,707,764	\$ 682,511	9.72%
Connection Fees					\$ -	
Investment Income	\$ 32,256	\$ 13,236	\$ 13,000	\$ 13,000	\$ -	0.00%
Fees & Charges	\$ 207,669	\$ 209,281	\$ 224,680	\$ 224,680	\$ -	0.00%
Total 3600 Water Enterprise	\$ 7,413,130	\$ 7,411,990	\$ 7,712,934	\$ 7,945,444	\$ 232,511	3.01%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 601,369	\$ 626,926	\$ 645,488	\$ 641,423	\$ (4,064)	-0.63%
Expenses	\$ 443,603	\$ 275,100	\$ 385,620	\$ 384,400	\$ (1,220)	-0.32%
Debt	\$ 757,247	\$ 1,074,551	\$ 1,193,333	\$ 1,202,906	\$ 9,573	0.80%
MWRA	\$ 4,565,881	\$ 4,482,551	\$ 4,745,093	\$ 5,012,091	\$ 266,998	5.63%
Indirects	\$ 820,952	\$ 782,176	\$ 743,400	\$ 704,624	\$ (38,776)	-5.22%
Total 3600 Water Enterprise	\$ 7,189,052	\$ 7,241,303	\$ 7,712,934	\$ 7,945,444	\$ 232,511	3.01%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 3610 Water Enterprise	\$ 1,802,219	\$ 1,976,576	\$ 2,224,441	\$ 2,228,729	\$ 4,289	0.19%
Total 3620 MWRA	\$ 4,565,881	\$ 4,482,551	\$ 4,745,093	\$ 5,012,091	\$ 266,998	5.63%
Indirects	\$ 820,952	\$ 782,176	\$ 743,400	\$ 704,624	\$ (38,776)	-5.22%
Total 3600 Water Enterprise	\$ 7,189,052	\$ 7,241,303	\$ 7,712,934	\$ 7,945,444	\$ 232,511	3.01%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 446,577	\$ 502,004	\$ 519,068	\$ 509,946	\$ (9,121)	-1.76%
Overtime	\$ 154,792	\$ 124,922	\$ 126,420	\$ 131,477	\$ 5,057	4.00%
<i>Personal Services</i>	<i>\$ 601,369</i>	<i>\$ 626,926</i>	<i>\$ 645,488</i>	<i>\$ 641,423</i>	<i>\$ (4,064)</i>	<i>-0.63%</i>
Contractual Services	\$ 305,275	\$ 167,253	\$ 195,510	\$ 184,340	\$ (11,170)	-5.71%
Utilities	\$ 5,119	\$ 4,121	\$ 5,910	\$ 5,160	\$ (750)	-12.69%
Supplies	\$ 110,102	\$ 89,343	\$ 158,200	\$ 158,900	\$ 700	0.44%
Small Capital	\$ 23,107	\$ 14,382	\$ 26,000	\$ 36,000	\$ 10,000	38.46%
<i>Expenses</i>	<i>\$ 443,603</i>	<i>\$ 275,100</i>	<i>\$ 385,620</i>	<i>\$ 384,400</i>	<i>\$ (1,220)</i>	<i>-0.32%</i>
Debt	\$ 757,247	\$ 1,074,551	\$ 1,193,333	\$ 1,202,906	\$ 9,573	0.80%
MWRA	\$ 4,565,881	\$ 4,482,551	\$ 4,745,093	\$ 5,012,091	\$ 266,998	5.63%
Indirects	\$ 820,952	\$ 782,176	\$ 743,400	\$ 704,624	\$ (38,776)	-5.22%
Total 3600 Water Enterprise	\$ 7,189,052	\$ 7,241,303	\$ 7,712,934	\$ 7,945,444	\$ 232,511	3.01%

3700 Sewer Enterprise

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

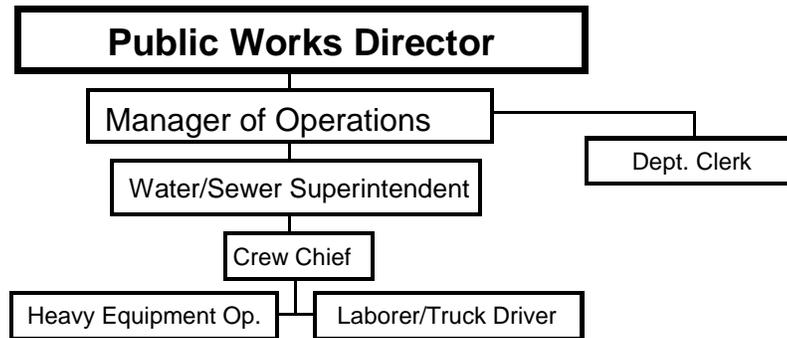
The Sewer Division maintains the wastewater system that serves 99 percent of Town residences and businesses through 34 miles of trunk lines, 119 miles of street lines and 9,524 service connections. There are also nine sewage-pumping stations operated by the Sewer Division. The Town has a three-block inclining rate structure to encourage conservation. Customer sewer usage is based on water usage over the same period.

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

Indirect support from the General Fund reflects Wastewater Enterprise Fund expenses (benefits, insurance, engineering support) that are appropriated in the General Fund. The Wastewater Enterprise Fund, therefore, reimburses the General Fund for these expenses through an indirect cost transfer. The indirect support from the Wastewater Enterprise Fund to the General Fund has been reduced by \$22,473 to more accurately reflect the true costs of this General Fund support.

Departmental Initiatives:

1. Continue to rehab and refurbish all 9 pump stations and bring them up to OSHA standards.
2. Clear and repair all access routes to all sewer easements.
3. Continue pipe flushing program and root removal in all problem areas.
4. Initiate an educational program for the entire Town as to the costs and problems created by Inflow and Infiltration.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Superintendent of Water & Sewer	0.5	0.5	0.5	0.5	0.5
Crew Chief	1	1	1	1	1
Heavy Equipment Operator	2	2	2	2	2
Department Clerk	0.2	0.2	0.2	0.2	0.2
Seasonal Clerk	0	0.4	0.4	0.4	0.4
Seasonal Laborer	0	0.3	0.3	0.3	0.3
Total FTE	3.7	4.4	4.4	4.4	4.4
Total Full/Part Time	3 FT	3 FT/4 PT	3 FT/4 PT	3 FT/4 PT	3 FT/4 PT

Explanatory Notes:

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

3700 Sewer Enterprise

Budget Recommendations:

The FY 2012 recommended budget reflects a \$470,765 or 5.65 percent increase over the FY11 restated budget. Budget changes include a 0.28 percent decrease in compensation, a 0.05 percent decrease in expenses, and a 4.88 percent increase in debt service. The MWRA water assessment, the largest part of this budget, is increasing 7.22 percent over FY2011.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$22,473 decrease in the indirect cost payment from the Wastewater Enterprise Fund to the General Fund. This is the result of the Finance Department analyzing sewer (wastewater) division indirect costs and bringing this payment in line with actual costs.
2. \$31,777 increase for debt service for previously authorized capital projects and projects proposed in Section XI of this budget, including the new DPW Facility.
3. \$462,394 increase in the Town's MWRA Assessment. This is a preliminary assessment; a final number will be release in the summer.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

3700 Sewer Enterprise

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy						
Enterprise Funds						
Retained Earnings	\$ 200,000	\$ 625,000	\$ 400,000	\$ -	\$ (400,000)	-100.00%
User Charges	\$ 7,132,912	\$ 7,232,077	\$ 7,653,319	\$ 8,524,085	\$ 870,765	11.38%
Connection Fees	\$ -	\$ 1,665	\$ -	\$ -	\$ -	0.00%
Investment Income	\$ 26,596	\$ 11,219	\$ 11,000	\$ 11,000	\$ -	0.00%
Fees & Charges	\$ 316,828	\$ 355,996	\$ 267,000	\$ 267,000	\$ -	0.00%
Total 3700 Sewer Enterprise	\$ 7,676,336	\$ 8,225,957	\$ 8,331,319	\$ 8,802,085	\$ 470,765	5.65%

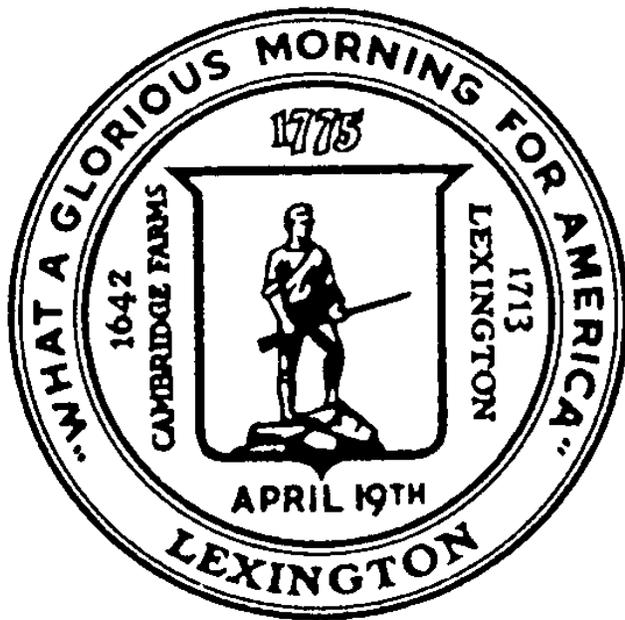
Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 245,065	\$ 253,315	\$ 276,152	\$ 275,369	\$ (782)	-0.28%
Expenses	\$ 340,703	\$ 321,827	\$ 330,600	\$ 330,450	\$ (150)	-0.05%
Debt	\$ 488,135	\$ 575,357	\$ 651,446	\$ 683,223	\$ 31,777	4.88%
MWRA	\$ 5,855,209	\$ 6,245,946	\$ 6,404,432	\$ 6,866,826	\$ 462,394	7.22%
Indirects	\$ 714,536	\$ 691,763	\$ 668,690	\$ 646,217	\$ (22,473)	-3.36%
Total 3700 Sewer Enterprise	\$ 7,643,649	\$ 8,088,208	\$ 8,331,319	\$ 8,802,085	\$ 470,765	5.65%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 3710 Sewer Operations	\$ 1,073,904	\$ 1,150,499	\$ 1,258,197	\$ 1,289,042	\$ 30,845	2.45%
Total 3720 MWRA	\$ 5,855,209	\$ 6,245,946	\$ 6,404,432	\$ 6,866,826	\$ 462,394	7.22%
Indirects	\$ 714,536	\$ 691,763	\$ 668,690	\$ 646,217	\$ (22,473)	-3.36%
Total 3700 Sewer Enterprise	\$ 7,643,649	\$ 8,088,208	\$ 8,331,319	\$ 8,802,085	\$ 470,765	5.65%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 185,813	\$ 183,654	\$ 220,145	\$ 217,122	\$ (3,022)	-1.37%
Overtime	\$ 59,252	\$ 69,661	\$ 56,007	\$ 58,247	\$ 2,240	4.00%
<i>Personal Services</i>	<i>\$ 245,065</i>	<i>\$ 253,315</i>	<i>\$ 276,152</i>	<i>\$ 275,369</i>	<i>\$ (782)</i>	<i>-0.28%</i>
Contractual Services	\$ 182,579	\$ 148,787	\$ 130,000	\$ 154,850	\$ 24,850	19.12%
Utilities	\$ 116,181	\$ 125,491	\$ 117,900	\$ 122,600	\$ 4,700	3.99%
Supplies	\$ 31,567	\$ 36,364	\$ 65,700	\$ 39,500	\$ (26,200)	-39.88%
Small Capital	\$ 10,377	\$ 11,185	\$ 17,000	\$ 13,500	\$ (3,500)	-20.59%
<i>Expenses</i>	<i>\$ 340,703</i>	<i>\$ 321,827</i>	<i>\$ 330,600</i>	<i>\$ 330,450</i>	<i>\$ (150)</i>	<i>-0.05%</i>
Debt	\$ 488,135	\$ 575,357	\$ 651,446	\$ 683,223	\$ 31,777	4.88%
MWRA	\$ 5,855,209	\$ 6,245,946	\$ 6,404,432	\$ 6,866,826	\$ 462,394	7.22%
Indirects	\$ 714,536	\$ 691,763	\$ 668,690	\$ 646,217	\$ (22,473)	-3.36%
Total 3700 Sewer Enterprise	\$ 7,643,649	\$ 8,088,208	\$ 8,331,319	\$ 8,802,085	\$ 470,765	5.65%

Section VI: Public Safety

Program 4000



Law Enforcement
Fire & Rescue

Section VI: Program 4000: Public Safety

This section includes detailed information about the FY 2012 Recommended Budget & Financing Plan for public safety. It includes:

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

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 Organization: The Police Department is comprised of seven divisions: Administration, Patrol and Enforcement, Parking Operations, Investigations, Dispatch, Animal Control and Crossing Guards. In FY10, the Police Department responded to approximately 12,200 calls for service of which 771 were crimes.

The Administration division is comprised of 11 full-time and 3 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 office manager and clerks who handle records management, accounting and payroll, and traffic and parking administration; a part-time clerk and 2 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 traffic safety and suppressing crime.

Meter and parking enforcement is done by a Parking Enforcement Officer (PEO) who, through the enforcement of parking regulations, is responsible for ensuring that parking spaces are turned over on a regular basis and that roadways are not obstructed.

The Investigations division is supervised by a Detective Lieutenant, assisted by the Sergeant Prosecutor, and five other detectives responsible for investigative and prevention including: two major case detectives, a family services detective, a narcotics/vice investigator and a School Resource Officer.

The Dispatch division is comprised of nine civilian dispatchers responsible for directing the proper resources to over 14,700 service calls that require a police, fire or medical unit response; almost 11,000 9-1-1 calls and over 53,000 telephone calls.

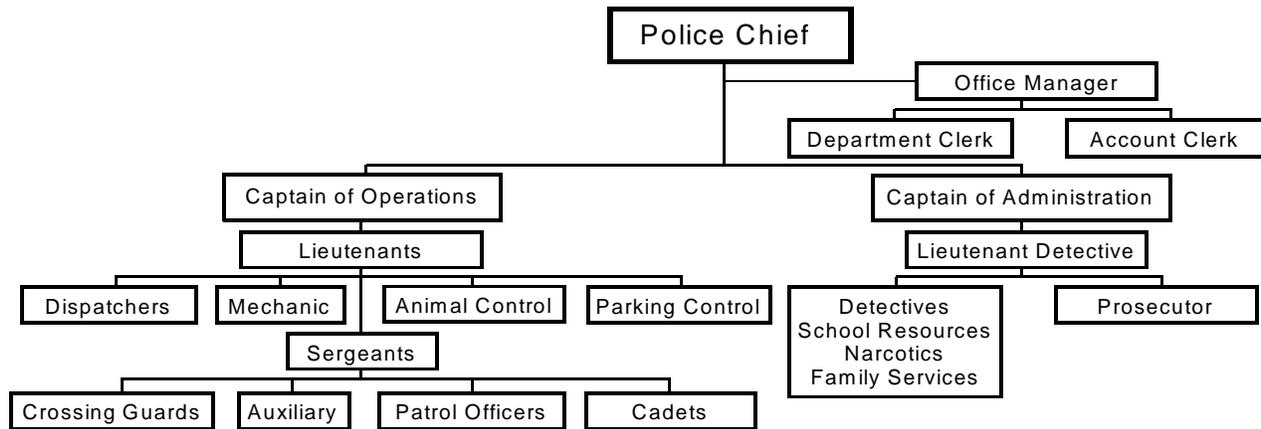
The Animal Control division, working in collaboration with the Health Department, is comprised of one part-time civilian animal control officer (ACO) responsible for regulations governing the ownership, health and wellbeing of animals in the community, including 2300 dogs.

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

4100 Law Enforcement

Departmental Initiatives:

1. Continue the training and job familiarization for the newly promoted Captains (2), Lieutenants (2) and Sergeants (3); while also advancing the basic training of four (4) newly hired officers.
2. Advance the space needs study of the police station into the subsequent stages of design and engineering.
3. Complete the program of updating the Department's policies and procedures; convert them to an on-line medium with the ultimate goal of achieving Accreditation recognition.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Chief	1	1	1	1	1
Captain of Operations	1	1	1	1	1
Captain of Administration	1	1	1	1	1
Lieutenants (Patrol)	4	4	4	4	4
Sergeants (Patrol)	5	5	5	5	5
Police Officers	27	27	27	28	29
Lieutenant (Detective)	1	1	1	1	1
Sergeant (Prosecutor)	1	1	1	1	1
Detectives	2	2	2	2	2
Family Services Detective	1	1	1	1	1
School Resource Officer	3	3	3	1	1
Narcotics/Vice Detective	1	1	1	1	1
Cadets - 3 PT(FY08-09); 2 PT(FY10-12)	1.63	1.63	1.09	1.09	1.09
Parking Control Officer	1	1	1	1	1
Dispatcher	9	9	9	9	9
Office Manager	1	1	1	1	1
Department Clerk	1	1	1	1	1
Department Account Clerk	1	1	1	1	1
Municipal Clerk - 1 part-time	0	0	0.54	0.54	0.54
Mechanic	1	1	1	1	1
Animal Control - 1 part-time	0.54	0.54	0.54	0.54	0.54
Crossing Guards - 16 part-time	0	3.43	3.43	3.43	3.43
FTE Total	64.17	67.6	67.6	66.6	67.6
	48 Officers	48 Officers	48 Officers	47 Officers	48 Officers
FT - PT Total	62(FT)/4(PT)	62(FT)/20(PT)	62(FT)/20(PT)	61(FT)/20(PT)	62(FT)/20(PT)

Overall staff changes from FY2004 to FY2010:

FY'09 - 16 PT Crossing Guards transferred to the Police

FY'10 - 1 PT Cadet cut to add 1 PT Municipal Clerk (<20 hours)

FY'10 - 1 police officer position lost due to non funding by Minuteman Regional High School (number of officers reduced to 47).

Position was left vacant in FY'10; removed from budget in FY'11

FY'11 - As of Dec 1, 2010, 4 officers in basic training; 1 officer vacancy due to IOD; 1 officer activated to Afghanistan

FY'12- Reflects the recommendation of the Town Manager to add an additional position.

4100 Law Enforcement**Budget Recommendations:**

The FY2012 recommended budget reflects a \$220,147 or 3.94% increase over the FY11 restated budget. This is comprised of a 3.01 percent increase in compensation and a 9.83 percent increase in expenses. At the time of the preparation of this budget recommendation, collective bargaining agreements with the IBPO #501 (Lieutenant and Captains), and L.M.E.A. has not been reached for FY 2012. No salary adjustments, therefore, are included for employees in these bargaining units for those years.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. A \$64,502 increase in compensation due to contractual obligations.
2. A \$13,186 increase in expenses related to the purchase of gasoline.
3. A \$25,000 increase in expenses due to the purchase of an additional support vehicle.
4. A \$8,916 increase in expenses due to the purchase of four (4) Uninterrupted Power Supplies (UPS).
5. A \$69,467 increase in compensation to hire a full-time Day Shift Officer.
6. A \$37,621 increase in compensation for additional overtime to backfill the Desk Officer position.

Program Improvement Requests Submitted by Department:

1. \$35,195 for overtime to backfill the Center Officer position.
2. \$65,000 to hire a full-time Computer Forensic and Information Specialist.
3. \$51,328 to hire a full-time Crime Prevention Officer
4. \$6,200 to funds additional overtime for the Parking and Animal Control Officers.
5. \$25,000 to purchase additional support vehicles.
6. \$8,916 to purchase four (4) Uninterrupted Power Supplies (UPS).
7. \$51,328 to hire a full-time Officer (days) for a variety of tasks including: Traffic Safety, Desk Coverage, Crime Prevention, and School Resource.
8. \$37,621 for overtime to backfill the Desk Officer position.

Program Improvement Requests Recommended for Funding:

1. \$25,000 to purchase additional support vehicles.
2. \$8,916 to purchase four (4) Uninterrupted Power Supplies (UPS).
3. \$51,328 to hire a full-time Officer (days) for a variety of tasks including: Traffic Safety, Desk Coverage, Crime Prevention, and School Resource.
4. \$37,621 for overtime to backfill the Desk Officer position.

4100 Law Enforcement

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 4,758,851	\$ 4,861,134	\$ 5,167,835	\$ 5,408,956	\$ 241,121	4.67%
Enterprise Funds (Indirects)					\$ -	
Fees & Charges					\$ -	
Fees	\$ 116,181	\$ 74,678	\$ 89,700	\$ 75,200	\$ (14,500)	-16.16%
Fines & Forfeitures	\$ 124,480	\$ 122,985	\$ 124,480	\$ 123,000	\$ (1,480)	-1.19%
Licenses & Permits	\$ 2,690	\$ 1,400	\$ 3,900	\$ 3,900	\$ -	0.00%
State Education Incentive Reimbursement	\$ 239,762	\$ 46,751	\$ 44,837	\$ 21,705	\$ (23,132)	-51.59%
Parking Meter Fund	\$ 167,399	\$ 161,774	\$ 160,988	\$ 160,988	\$ -	0.00%
Grants (Minuteman)						
Total 4100 Law Enforcement	\$ 5,409,363	\$ 5,268,721	\$ 5,591,740	\$ 5,793,748	\$ 202,009	3.61%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 4,922,413	\$ 4,800,423	\$ 5,097,823	\$ 5,251,275	\$ 153,452	3.01%
Expenses	\$ 486,950	\$ 468,298	\$ 493,917	\$ 542,474	\$ 48,557	9.83%
Total 4100 Law Enforcement	\$ 5,409,363	\$ 5,268,721	\$ 5,591,740	\$ 5,793,748	\$ 202,009	3.61%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 4110 Police Administration	\$ 1,100,537	\$ 1,055,274	\$ 1,162,267	\$ 1,198,496	\$ 36,228	3.12%
Total 4120 Patrol & Enforcement	\$ 2,819,105	\$ 2,830,814	\$ 2,927,433	\$ 3,123,136	\$ 195,703	6.69%
Total 4130 Parking Operations	\$ 72,699	\$ 75,118	\$ 78,256	\$ 78,257	\$ 1	0.00%
Total 4140 Investigations	\$ 726,814	\$ 642,347	\$ 710,099	\$ 652,324	\$ (57,775)	-8.14%
Total 4150 Dispatch	\$ 531,866	\$ 516,022	\$ 551,099	\$ 574,175	\$ 23,076	4.19%
Total 4160 Animal Control	\$ 28,514	\$ 29,595	\$ 30,794	\$ 31,751	\$ 957	3.11%
Total 4170 Crossing Guards	\$ 129,828	\$ 119,552	\$ 131,791	\$ 135,609	\$ 3,818	2.90%
Total 4100 Law Enforcement	\$ 5,409,363	\$ 5,268,721	\$ 5,591,740	\$ 5,793,748	\$ 202,009	3.61%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 4,435,539	\$ 4,110,886	\$ 4,475,022	\$ 4,571,259	\$ 96,237	2.15%
Overtime	\$ 486,874	\$ 689,537	\$ 622,800	\$ 680,016	\$ 57,215	9.19%
<i>Personal Services</i>	<i>\$ 4,922,413</i>	<i>\$ 4,800,423</i>	<i>\$ 5,097,823</i>	<i>\$ 5,251,275</i>	<i>\$ 153,452</i>	<i>3.01%</i>
Contractual Services	\$ 121,046	\$ 128,827	\$ 131,518	\$ 133,078	\$ 1,560	1.19%
Utilities	\$ 114,162	\$ 77,284	\$ 112,227	\$ 123,708	\$ 11,481	10.23%
Supplies	\$ 133,481	\$ 143,230	\$ 131,208	\$ 141,724	\$ 10,516	8.01%
Small Capital	\$ 118,260	\$ 118,957	\$ 118,964	\$ 143,964	\$ 25,000	21.01%
Expenses	\$ 486,950	\$ 468,298	\$ 493,917	\$ 542,474	\$ 48,557	9.83%
Total 4100 Law Enforcement	\$ 5,409,363	\$ 5,268,721	\$ 5,591,740	\$ 5,793,748	\$ 202,009	3.61%

4200 Fire & Rescue

Mission: The Lexington Fire & Rescue Department protects the lives and property of the community from emergencies involving fire, medical, hazardous material, and environmental causes. This is accomplished through public education, code management and by responding to emergency events.

Budget Organization: The Fire & Rescue Department is comprised of five divisions: Administration, Fire Prevention, Fire Suppression, Emergency Medical Services (EMS) 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.

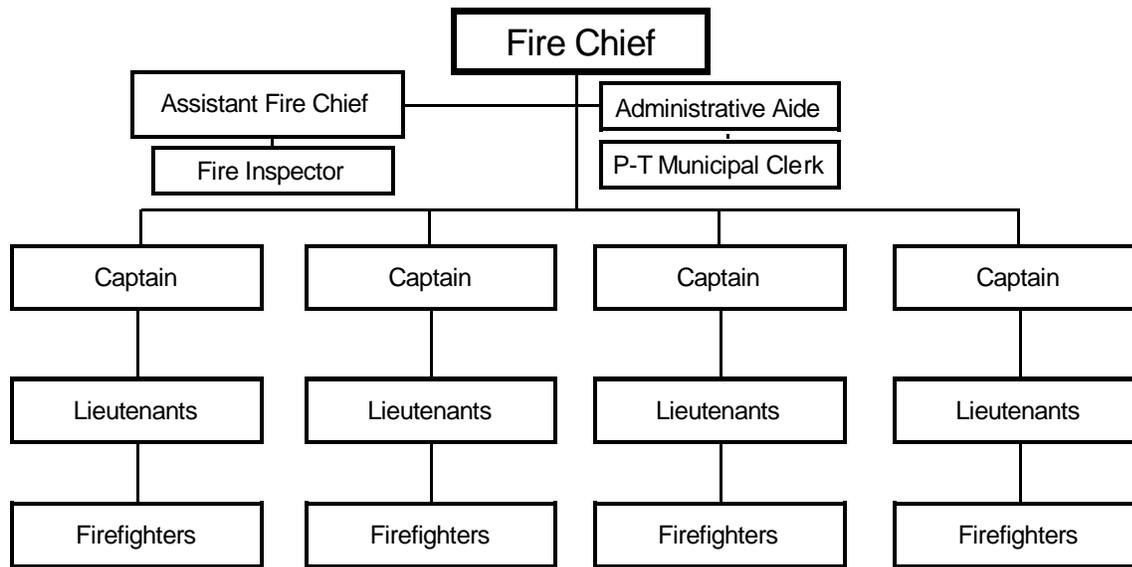
The Fire Suppression division is staffed 24/7, operating out of two stations and responding to emergency calls including: fire suppression, motor vehicle accidents, EMS support, hazardous material responses, vehicle extrication and water related incidents.

The Emergency Medical Services division operates in conjunction with the Fire Suppression division, staffing one ambulance, at the Advanced Life Support level. The second ambulance is available to operate at the ALS level when the ladder truck is in quarters. These vehicles respond annually to over 3,500 calls for assistance annually.

The Emergency Management division is responsible for communications with FEMA and 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. Work with the Permanent Building Committee, Public Facilities department as well as staff to make recommendations for facility upgrades of fire headquarters, by June of 2011.
2. Complete the removal of the fire alarm overhead wires during the spring and summer of 2011.
3. Evaluate and purchase during the summer of 2011 new firefighter turn-out gear.
4. Reorganize the EMS division within the Department to improve training standards and patient care quality control.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Fire Chief	1	1	1	1	1
Assistant Fire Chief	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Fire Inspector	1	1	1	1	1
Fire Captains	4	4	4	4	4
Fire Lieutenants	8	8	8	8	8
Firefighters/Paramedics	40	40	42	42	42
Municipal Clerk	0.54	0.54	0.54	0.54	0.54
FTE Total	56.54	56.54	58.54	58.54	58.54
Full-Time/Part-time Total	56 FT / 1 PT	56FT/1PT	56FT/1PT	58FT/1PT	59FT/1PT

Explanatory Notes:

There are currently 2 vacant fire fighter positions. Hiring for these positions is pending ongoing union negotiations.

Budget Recommendations:

The FY2012 recommended budget reflects a \$127,416 or 2.47% increase over the FY11 restated budget. This is comprised of a 0.74 percent increase in compensation and a 18.43 percent increase in expenses. At the time of the preparation of this budget recommendation, a collective bargaining agreement with I.A.F.F. Local #1491, the Firefighters Union, has not been reached for fiscal years 2010, 2011, or 2012. No salary adjustments, therefore, are included for employees in this bargaining unit.

Level Services: This is a level-service budget except where noted below. The significant changes include:

1. A \$54,813 increase in compensation for salary step increases and other contractual adjustments.
2. A \$30,000 increase in expenses, relating to the replacement of a staff vehicle.
3. A \$45,433 increase for additional EMS oversight.
4. A \$50,000 increase to conduct an organizational review of Fire/EMS services.
5. A increase of \$6,900 to pay for additional clerical hours for the Fire Administration.

Program Improvement Requests Submitted by Department:

1. \$89,335 for a full-time Assistant Chief- Director of EMS.
2. \$6,900 for additional clerical hours for the Fire Administration.
3. \$19,318 in order to create and promote four (4) Fire Lieutenant positions to be assigned to the Ladder truck.

Program Improvement Requests Recommended for Funding:

1. \$45,433 for additional EMS oversight. At the time this document was prepared the Board of Selectmen, Town Manager, and Fire Chief were continuing to discuss the most appropriate manner to address this need. (see #3)
2. \$6,900 for additional clerical hours for the Fire Administration.
3. \$50,000 to conduct an organizational review of Fire/EMS services.

4200 Fire & Rescue

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 3,590,340	\$ 4,291,061	\$ 4,185,471	\$ 4,329,287	\$ 143,816	3.44%
Enterprise Funds (Indirects)						
Fees & Charges						
Ambulance Fees	\$ 875,529	\$ 903,953	\$ 917,000	\$ 899,000	\$ (18,000)	-1.96%
Other Fees	\$ 43,342	\$ 46,100	\$ 41,200	\$ 42,800	\$ 1,600	3.88%
Licenses & Permits	\$ 35,000	\$ 20,900	\$ 24,600	\$ 24,600	\$ -	0.00%
Total 4200 Fire/EMS	\$ 4,544,211	\$ 5,262,014	\$ 5,168,271	\$ 5,295,687	\$ 127,416	2.47%

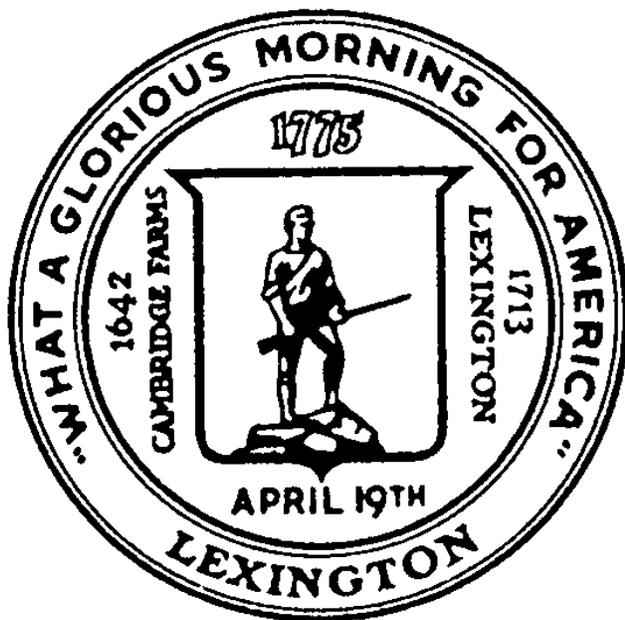
Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 4,058,479	\$ 4,682,353	\$ 4,664,335	\$ 4,698,877	\$ 34,542	0.74%
Expenses	\$ 485,732	\$ 579,662	\$ 503,936	\$ 596,810	\$ 92,874	18.43%
Total 4200 Fire/EMS	\$ 4,544,211	\$ 5,262,014	\$ 5,168,271	\$ 5,295,687	\$ 127,416	2.47%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 4210 Fire Administration	\$ 283,551	\$ 233,351	\$ 260,185	\$ 403,761	\$ 143,576	55.18%
Total 4220 Fire Prevention	\$ 174,862	\$ 188,822	\$ 185,518	\$ 189,230	\$ 3,712	2.00%
Total 4230 Fire Suppression	\$ 3,938,034	\$ 4,688,986	\$ 4,568,668	\$ 4,542,386	\$ (26,282)	-0.58%
Total 4240 Emergency Medical Services	\$ 138,421	\$ 117,946	\$ 131,900	\$ 131,470	\$ (430)	-0.33%
Total 4250 Emergency Management	\$ 9,343	\$ 32,909	\$ 22,000	\$ 28,840	\$ 6,840	31.09%
Total 4200 Fire/EMS	\$ 4,544,211	\$ 5,262,014	\$ 5,168,271	\$ 5,295,687	\$ 127,416	2.47%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 3,597,486	\$ 3,984,961	\$ 3,906,737	\$ 3,972,662	\$ 65,926	1.69%
Overtime	\$ 460,994	\$ 697,391	\$ 757,598	\$ 726,215	\$ (31,383)	-4.14%
<i>Compensation</i>	<i>\$ 4,058,479</i>	<i>\$ 4,682,353</i>	<i>\$ 4,664,335</i>	<i>\$ 4,698,877</i>	<i>\$ 34,542</i>	<i>0.74%</i>
Contractual Services	\$ 243,957	\$ 356,856	\$ 294,450	\$ 344,460	\$ 50,010	16.98%
Utilities	\$ 66,066	\$ 35,559	\$ 56,611	\$ 57,350	\$ 739	1.31%
Supplies	\$ 134,448	\$ 143,034	\$ 128,175	\$ 140,300	\$ 12,125	9.46%
Small Capital	\$ 41,261	\$ 44,212	\$ 24,700	\$ 54,700	\$ 30,000	121.46%
<i>Expenses</i>	<i>\$ 485,732</i>	<i>\$ 579,662</i>	<i>\$ 503,936</i>	<i>\$ 596,810</i>	<i>\$ 92,874</i>	<i>18.43%</i>
Total 4200 Fire/EMS	\$ 4,544,211	\$ 5,262,014	\$ 5,168,271	\$ 5,295,687	\$ 127,416	2.47%

Section VII: Culture and Recreation

Program 5000



Cary Memorial Library
Recreation

Section VII: Program 5000: Culture & Recreation

This section includes detailed information about the FY 2012 Recommended Budget & Financing Plan for culture & recreation services. It includes:

- 5100 Cary Memorial Library VII-2
- 5200 Recreation VII-6

5100 Cary Memorial Library

Mission: Cary Memorial Library offers to the Lexington community:

- Resources, programs and services that promote lifelong learning, recreation and cultural enrichment.
- Materials in a variety of formats, meaningful to a culturally and educationally diverse population of all ages.
- A knowledgeable and helpful staff to connect users to all library resources.
- A place to connect with one another, with the library, and a means to connect with others outside its walls.

Budget Organization: Cary Memorial Library is comprised of three divisions: General and Technical Services, Adult Services and Children's Services.

General and Technical Services includes the administrative functions of the library and one bibliographic services employee.

Adult Services includes library staff for the adult section of the library and related library materials.

Children's Services reflects library staff for the children's section of the library and related library materials.

Departmental Initiatives:

1. To provide a variety of rich, historical and current print and electronic resources for the public.
 - In FY 2012 the Library will continue to meet MBLC standards for municipal appropriations, library materials budget and minimum hours open.
 - Continue to work with the Foundation to offer programs that will support their fundraising efforts, e.g., Teen Advisory Board presentation to the Foundation.
2. To promote the love of reading in order to encourage a community of lifelong learners.
 - Research, and facilitate if appropriate, tie-ins between Cary Library services to other web-based services, such as self-service readers' advisory site.
3. To connect library users with the information they need.
 - In FY 2012, evaluate our current website and begin to develop means to reach users with a variety of electronic devices.
 - Continue to define "quiet" and "conversational" areas in different parts of the library.
 - In FY12 and following, the Children's Department, in consultation with the Lexington Preschool Directors' group, will develop an annual series of evening programs featuring speakers of interest to preschool teachers and parents, offered once or twice a year.
4. To serve as a physical as well as virtual "commons": informational, cultural and social.
 - Work with Town Manager's Office, Town Clerk, and Public Facilities Department to seek appropriate funding to rehabilitate the Stone Building and create a Lexington Heritage Center virtual "commons": informational, cultural and social.
 - Work with Public Facilities Department and Reference staff to develop plans to construct a secure and environmentally-controlled vault for the appropriate preservation of rare and historic materials both within the library and beyond.

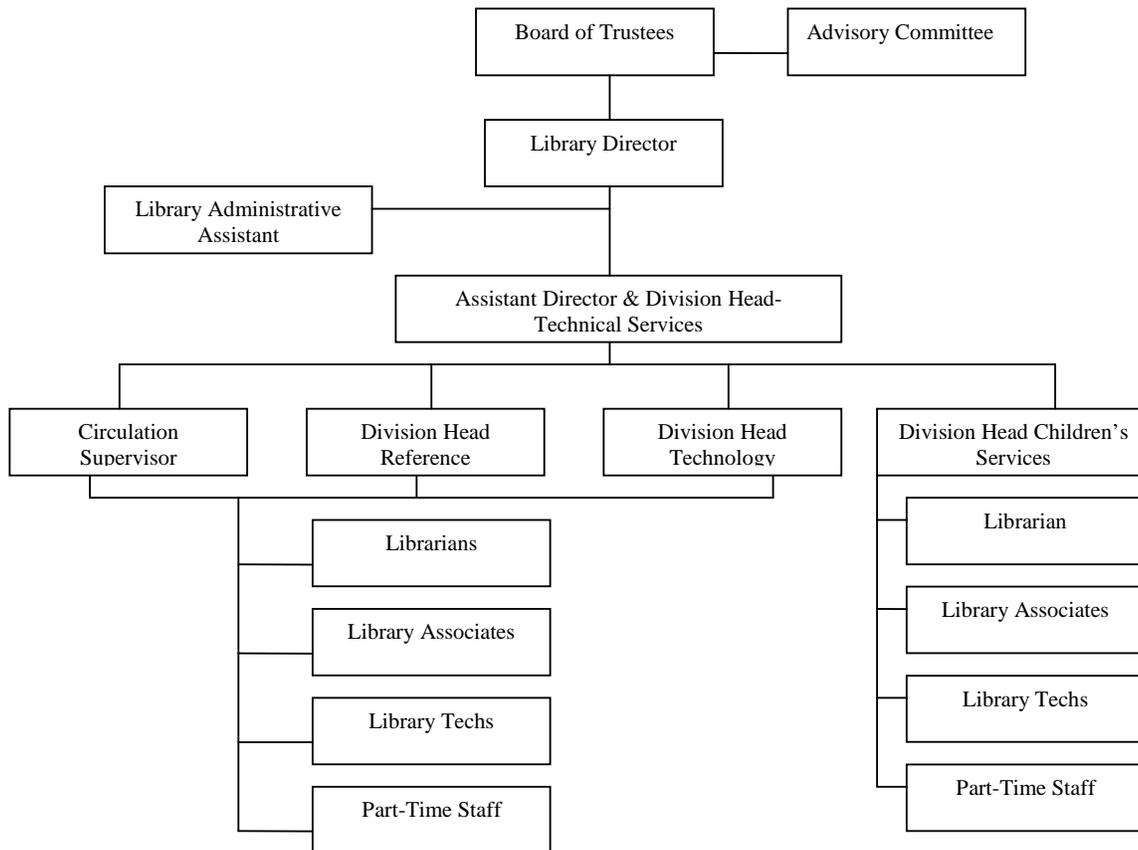
5100 Cary Memorial Library

5. To utilize appropriate technology to maintain, enhance and extend library services both within the library and beyond.
 - As resources allow, continue efforts to work with design expert to evaluate comprehensive workflow of all materials handling functions. Develop subsequent design efforts and funding requests based upon this analysis.
6. To provide a welcoming environment to all.
 - Continue to develop a signage plan.
 - Continue to work with Public Facilities Department to address remaining/current building issues

Please visit our website for the complete strategic plan:
www.carylrary.org/trustees/strategic.plan.pdf

5100 Cary Memorial Library

Program: Culture & Recreation
Town of Lexington, Massachusetts



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Library Director	1	1	1	1	1
Assistant Library Director	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Head of Reference Services	1	1	1	1	1
Head of Technology	1	1	1	1	1
Head of Children's Services	1	1	1	1	1
Circulation Supervisor	1	1	1	1	1
Librarians	8.5	9	9	9	9
Library Associates	3	2	2	2	2
Library Technicians	13.9	13.6	14.6	14.6	14.6
Adult Pages	1.3	1.3	1.3	1.3	1.3
Student Pages	0.6	0.6	0.6	0.6	0.6
Total FTE	34.3	34.5	34.5	34.5	34.5
Total FT/PT	25(FT)/23 (PT)	26(FT)/22 (PT)	26(FT)/22 (PT)	26(FT)/22(PT)	26(FT)/22(PT)

5100 Cary Memorial Library

Budget Recommendations:

The FY2012 recommended budget reflects a \$592 or 0.03 percent increase over the FY11 budget. This is comprised of a 0.01 percent increase in compensation and a 0.2 percent increase in expenses. It continues to include \$120,000 that was funded by the FY2007 override to maintain Sunday hours at the main Library. This recommended budget does not include funding for any FY2012 collective bargaining settlement with the Library Union.

Level Services: This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$11,501 increase in salaries for step increases and other contractual adjustments, offset by lower salary rates for newly hired staff.
2. \$ 2,500 decrease in expenses due to a reduction in small capital.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

5100 Cary Memorial Library

Program: Culture & Recreation
Town of Lexington, Massachusetts

Budget Summary

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 1,902,331	\$ 1,907,312	\$ 2,011,651	\$ 2,012,243	\$ 592	0.03%
Total 5100 Library	\$ 1,902,331	\$ 1,907,312	\$ 2,011,651	\$ 2,012,243	\$ 592	0.03%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,666,933	\$ 1,661,342	\$ 1,765,451	\$ 1,765,543	\$ 92	0.01%
Expenses	\$ 219,148	\$ 246,186	\$ 246,200	\$ 246,700	\$ 500	0.20%
Total 5100 Library	\$ 1,886,081	\$ 1,907,527	\$ 2,011,651	\$ 2,012,243	\$ 592	0.03%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 5110 General & Technical Services	\$ 413,410	\$ 411,041	\$ 416,604	\$ 418,404	\$ 1,800	0.43%
Total 5120 Adult Library	\$ 1,125,626	\$ 1,155,718	\$ 1,228,916	\$ 1,232,008	\$ 3,093	0.25%
Total 5130 Children's Library	\$ 347,045	\$ 340,769	\$ 366,131	\$ 361,830	\$ (4,301)	-1.17%
Total 5100 Library	\$ 1,886,081	\$ 1,907,527	\$ 2,011,651	\$ 2,012,243	\$ 592	0.03%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,630,279	\$ 1,623,821	\$ 1,726,642	\$ 1,726,734	\$ 92	0.01%
Overtime (Sunday Premium)	\$ 36,655	\$ 37,521	\$ 38,809	\$ 38,809	\$ -	0.00%
<i>Personal Services</i>	<i>\$ 1,666,933</i>	<i>\$ 1,661,342</i>	<i>\$ 1,765,451</i>	<i>\$ 1,765,543</i>	<i>\$ 92</i>	<i>0.01%</i>
Contractual Services	\$ 73,418	\$ 73,914	\$ 73,900	\$ 73,900	\$ -	0.00%
Utilities	\$ 9,998	\$ 10,240	\$ 10,500	\$ 10,500	\$ -	0.00%
Supplies	\$ 104,620	\$ 126,641	\$ 130,300	\$ 130,300	\$ -	0.00%
Small Capital	\$ 31,112	\$ 35,391	\$ 31,500	\$ 32,000	\$ 500	1.59%
<i>Expenses</i>	<i>\$ 219,148</i>	<i>\$ 246,186</i>	<i>\$ 246,200</i>	<i>\$ 246,700</i>	<i>\$ 500</i>	<i>0.20%</i>
Total 5100 Library	\$ 1,886,081	\$ 1,907,527	\$ 2,011,651	\$ 2,012,243	\$ 592	0.03%

5200 Recreation Enterprise

Mission: The Lexington Recreation Department strives to provide affordable, quality programs that are educational, fun and rewarding. The Recreation Department promotes participation by all Lexington citizens in facilities that are safe, accessible and well maintained.

Budget Organization: Since 1991, the Lexington Recreation Department has operated as an Enterprise Fund. As such, the Recreation Department operating budget may increase or decrease year to year to meet changes in enrollment and facility use demands. The Director of Recreation, through the Recreation Committee, proposes fees for the approval of the Board of Selectmen. The Recreation operating budget supports staff who manage and deliver recreation programs along with the supplies needed to operate those programs. Revenue generated through the Recreation Enterprise (Recreation and Pine Meadows Golf Club) help fund Capital Improvement Projects and Town department that provide support to the aquatic facilities, tennis courts and golf course. In FY2012, Recreation is contributing \$213,600 to cover the cost of recreation employee benefits and indirect services provided to Recreation by other Town departments. The Fund also contributes \$100,000 towards the debt payment for Lincoln Park and, in FY2012, \$31,500 in debt payment for the Valley Tennis Courts.

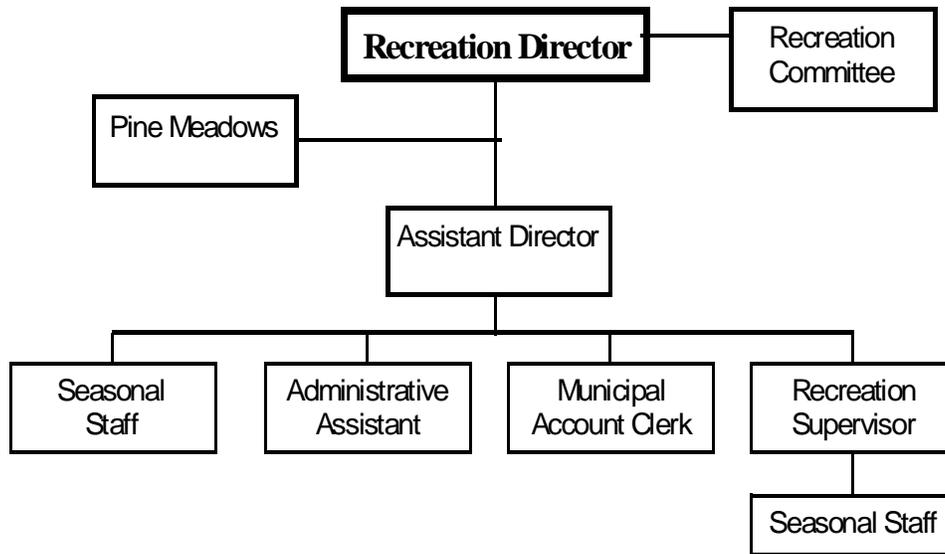
The Lexington Recreation Department offers a wide variety of leisure and recreational opportunities for individuals of all ages and abilities. General recreation program areas include: summer camps, summer youth clinics and classes, tennis, aquatics, youth and adult programs and youth and adult leagues. Recreation staff plan, schedule and coordinate recreation activities and special events using facilities such as: schools, Cary Hall, 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. Develop a conceptual plan for the use/reuse and development of the Busa Farm property.
2. Manage Active Recreation Construction Projects. (Phase I and Phase II Marrett Road Stormwater Mitigation Project, Pine Meadows Stormwater Mitigation/Pond Preservation Project, Center Recreation Complex Drainage and Field Renovation Project, Town Pool Renovation Project, Park Drive Bathroom Rehabilitation Project, Hastings School Field Renovation Project and Pine Meadows Tee Boxes & Drainage Projects).
3. Develop a pet waste education program.
4. Identify and develop strategies designed to lessen the need for the Pine Meadows Golf Club to subsidize the Recreation programs.
5. Work with the Finance Department, Town Manager's Office and the Board of Selectmen to review and update the Recreation Enterprise Fund policy.

5200 Recreation Enterprise

Program: Culture & Recreation
Town of Lexington, Massachusetts



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

Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Recreation Director	1	1	1	1	1
Assistant Director	1	1	1	1	1
Municipal Clerk	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Recreation Supervisor	1	1	1	1	1
Seasonal (Part Time)	175+/-	175+/-	175+/-	175+/-	175+/-
Total FTE	5.0 FTE + Sea.				
Total	5(FT)/»175(PT)	5(FT)/»175(PT)	5(FT)/»175(PT)	5(FT)/»175(PT)	5(FT)/»175(PT)

Explanatory Notes:

The funding requested is for 5 full time staff and approximately 175 part time seasonal employees to run recreation programs and manage recreation facilities in Lexington.

5200 Recreation Enterprise

Budget Recommendations:

The FY2012 recommended budget reflects a \$30,386 or 1.58% increase over the FY11 budget. This is comprised of a 1.61% increase in compensation, 1.67% increase in expenses, 4.15% decrease in debt service and a 4.92% increase in indirect costs.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. Increase of \$13,569 in Recreation Contractual Service due to an increase in the cost of vendor services, increased credit card fees, and addition of youth vendor programs.
2. Increase of \$10,220 in Compensation due to contractual settlements.
3. Increase of \$3,125 in Facility and Equipment Service and Repair due to annual repairs at the Town Pool and repair and replacement of tennis, ballfield and basketball lighting.
4. Increase of \$10,017 for the Indirect contribution to General Government.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

5200 Recreation Enterprise

Budget Summary:

Level-Service Requests	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Enterprise Funds						
User Charges	\$ 1,054,536	\$ 1,133,490	\$ 1,102,801	\$ 1,093,188	\$ (9,614)	-0.87%
Golf User Charges	\$ 740,551	\$ 714,431	\$ 776,800	\$ 816,800	\$ 40,000	5.15%
Bond Premiums & Proceeds					\$ -	0.00%
Investment Income	\$ 80,247	\$ 44,231	\$ 45,000	\$ 45,000	\$ -	0.00%
Misc. Revenue	\$ 13,341	\$ -	\$ -		\$ -	0.00%
Total 5200 Recreation	\$ 1,888,675	\$ 1,892,151	\$ 1,924,601	\$ 1,954,988	\$ 30,386	1.58%

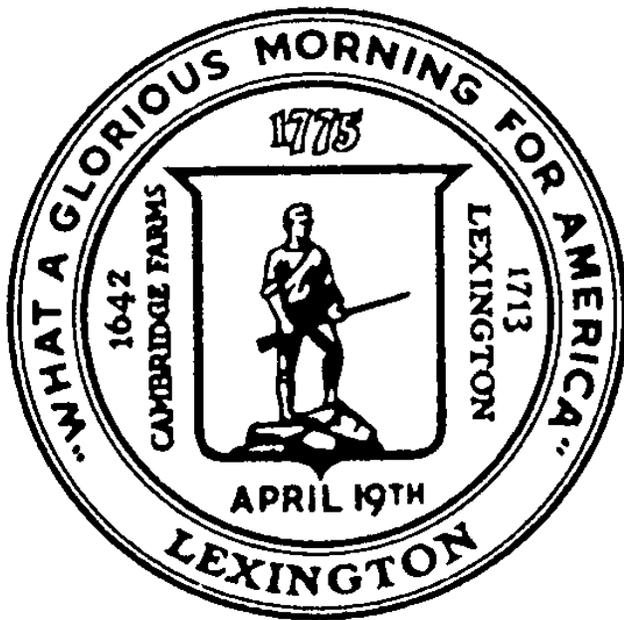
Level-Service Requests	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 572,781	\$ 587,623	\$ 632,922	\$ 643,143	\$ 10,220	1.61%
Expenses	\$ 871,952	\$ 925,751	\$ 950,896	\$ 966,745	\$ 15,849	1.67%
Debt Service	\$ 101,227	\$ 138,100	\$ 137,200	\$ 131,500	\$ (5,700)	-4.15%
Indirect Costs (Trans. to Gen. Fund)	\$ 155,848	\$ 188,583	\$ 203,583	\$ 213,600	\$ 10,017	4.92%
Total 5200 Recreation	\$ 1,701,807	\$ 1,840,057	\$ 1,924,601	\$ 1,954,988	\$ 30,386	1.58%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 5210 Recreation	\$ 1,066,556	\$ 1,135,995	\$ 1,191,971	\$ 1,211,339	\$ 19,367	1.62%
Total 5220 Pine Meadows	\$ 479,404	\$ 515,479	\$ 529,047	\$ 530,049	\$ 1,002	0.19%
Indirect Costs	\$ 155,848	\$ 188,583	\$ 203,583	\$ 213,600	\$ 10,017	4.92%
Total 5200 Recreation	\$ 1,701,807	\$ 1,840,057	\$ 1,924,601	\$ 1,954,988	\$ 30,386	1.58%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 572,781	\$ 587,623	\$ 632,922	\$ 643,143	\$ 10,220	1.61%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Compensation	\$ 572,781	\$ 587,623	\$ 632,922	\$ 643,143	\$ 10,220	1.61%
Contractual Services	\$ 740,506	\$ 783,946	\$ 802,749	\$ 816,318	\$ 13,569	1.69%
Utilities	\$ 47,380	\$ 49,661	\$ 52,972	\$ 54,402	\$ 1,430	2.70%
Supplies	\$ 63,270	\$ 60,793	\$ 87,825	\$ 88,675	\$ 850	0.97%
Small Capital	\$ 20,795	\$ 31,351	\$ 7,350	\$ 7,350	\$ -	0.00%
Expenses	\$ 871,952	\$ 925,751	\$ 950,896	\$ 966,745	\$ 15,849	1.67%
Debt Services	\$ 101,227	\$ 138,100	\$ 137,200	\$ 131,500	\$ (5,700)	-4.15%
Indirects	\$ 155,848	\$ 188,583	\$ 203,583	\$ 213,600	\$ 10,017	4.92%
Total 5200 Recreation	\$ 1,701,807	\$ 1,840,057	\$ 1,924,601	\$ 1,954,988	\$ 30,386	1.58%

Section VIII: Human Services

Program 6000



Senior Services
Youth Services
Family Services

Section VIII: Program 6000: Human Services

This section includes detailed information about the FY 2012 Recommended Budget & Financing Plan for social services. It includes:

- 6100-6200 Community Program, Human/Veterans Administration
Youth Services, Senior Services, and Developmental Disabled Support

VIII-2

6100-6200 Human Services

Mission: The Lexington Human Services Department ensures the provision of core social services, including direct services to residents, promoting health and well being, advocacy, financial support, educational and support programs, and cultural outreach for residents of all ages and backgrounds. In collaboration with Town and school departments, community groups, and government agencies, the Lexington Human Services Department is committed to providing leadership in identifying unmet needs and working to provide appropriate programs and services. The department is dedicated to the delivery of services in a professional manner that respects the dignity of all individuals served.

Budget Organization: The Human Services Department is organized to provides service delivery to all residents. Each area is overseen by an Assistant Director who is a clinical social worker. The staff work together as a team and with other Lexington departments to identify critical needs and coordinate service delivery.

Family/Human Services: Provides coordination of social and mental health services to families and adults. Coordinates services with the Veteran's Agent.

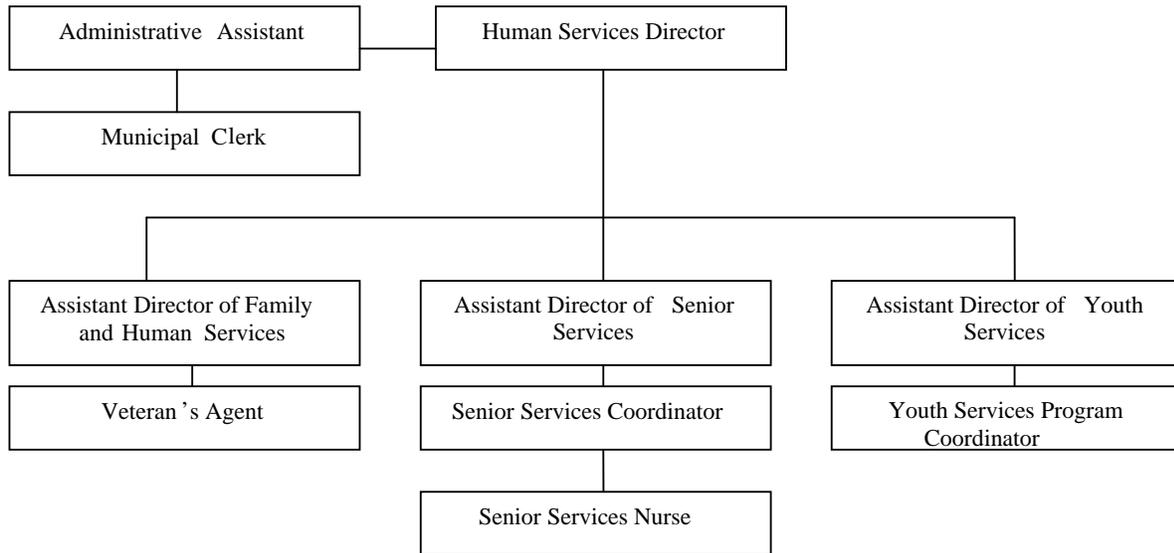
Senior Services: Provides coordination of services to the senior community, including oversight of all aspects of the Lexington Senior Center.

Youth Services: Provides planning and coordination of services to youth.

Departmental Initiatives:

1. Collaborate with the Department of Public Facilities to make safety and accessibility improvements to the Muzzey Senior Center.
2. Increase programs for youth and families, in partnership with the Lexington Public Schools, Town of Lexington Departments and local community groups.
3. Conduct community-wide forums to discuss transportation needs and possible solutions.
4. Improve outreach and communication to all members of the Lexington community, informing the community of available services and resources; continue assessment of critical social services needs; strengthen working partnerships with boards and committees.

6100-6200 Human Services



Authorized/Appropriated Staffing:

	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Director of Human Services	1	1	1	1
Senior Services Assistant Director	1	0.7	0.7	0.7
Human Service Assistant Director	-	0.8	0.8	0.8
Youth Services Assistant Director	1	1	1	1
Senior Services Coordinator*	1	0.8	1	1
Senior Services Nurse	0.8	0.5	0.5	0.5
Administrative Assistant	1	1	1	1
Municipal Clerk (Part Time)	0.5	0.5	0.5	0.5
Veteran's Agent (Part Time)	0.2	0.2	0.2	0.2
Program Coordinantor	-	0.5	0.3	0.3
Adult Day Care Coordinator **	1	0	0	0
Assistant Day Care Coordinator **	1	0	0	0
Department Account Clerk **	0.5	0	0	0
Day Care Aides (Part-time) **	3 @ .5	0	0	0
Total FTE	10.5 FTE	7 FTE	7 FTE	7 FTE
Total FT/PT	7 (FT) / 7 (PT)	3(FT) / 7 (PT)	4 (FT) / 6 (PT)	4 (FT)/6 (PT)

Explanatory Notes:

2012 staffing reflects the full implementation of the 2008 reorganization of the Human Services Department. The Senior Services Coordinator position was restored to FT in May, 2010.

* Senior Services Coordinator - Former Social Services Coordinator

** The Adult Supportive Day Care closed in June, 2009, resulting in the elimination of these positions.

6100-6200 Human Services

Budget Recommendations:

The FY2012 recommended budget for all funds reflects a \$17,793 or 3.06% decrease over the FY11 restated budget. This is comprised of 2.23% increase in compensation and a 4.50% increase in expenses.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. A \$15,030 increase in compensation due to contractual salary step increases.
2. A \$7,590 increase in expenses related to an increase in requests/payments of veteran benefit requests.

Program Improvement Requests Submitted by Department:

1. \$7,739 to fund a part-time Municipal Clerk (10 hours per week).
2. \$3,000 for Rental Contractual Services.

Program Improvement Requests Recommended for Funding:

1. \$3,000 for Rental Contractual Services.

6100-6200 Human Services

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 376,031	\$ 341,860	\$ 414,145	\$ 431,938	\$ 17,793	4.30%
Enterprise Funds (Indirects)						
Veteran Benefits Reimbursement	\$ 6,097	\$ 15,454	\$ 20,131	\$ 20,131	\$ -	0.00%
Community Program Revolving Fund	\$ 65,402	\$ 76,555	\$ 100,000	\$ 100,000	\$ -	0.00%
Available Funds*						
Grants	\$ 46,573	\$ 46,573	\$ 46,573	\$ 46,573	\$ -	0.00%
Supportive Day Care Fees	\$ 111,859	\$ 16,693			\$ -	0.00%
Total 6100-6200 Human Services	\$ 605,962	\$ 497,135	\$ 580,849	\$ 598,642	\$ 17,793	3.06%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 382,048	\$ 308,721	\$ 367,774	\$ 375,987	\$ 8,213	2.23%
Expenses	\$ 223,914	\$ 188,414	\$ 213,075	\$ 222,655	\$ 9,580	4.50%
Total 6100-6200 Human Services	\$ 605,962	\$ 497,135	\$ 580,849	\$ 598,642	\$ 17,793	3.06%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 6110 Administration	\$ 139,308	\$ 151,135	\$ 167,204	\$ 172,198	\$ 4,995	2.99%
Total 6120 Community Programs	\$ 111,401	\$ 106,225	\$ 130,069	\$ 129,235	\$ (834)	-0.64%
Total 6130 Supportive Day Care	\$ 182,200	\$ 2,306	\$ -	\$ -	\$ -	0.00%
Total 6210 Human Services and Veterans Admin.	\$ 86,600	\$ 84,555	\$ 78,705	\$ 90,186	\$ 11,481	14.59%
Total 6220 Services for Youth	\$ 23,231	\$ 53,127	\$ 74,826	\$ 70,608	\$ (4,218)	-5.64%
Total 6230 Senior Services	\$ 49,620	\$ 84,948	\$ 115,045	\$ 121,414	\$ 6,369	5.54%
Total 6240 Developmentally Disabled	\$ 13,602	\$ 14,839	\$ 15,000	\$ 15,000	\$ -	0.00%
Total 6100-6200 Human Services	\$ 605,962	\$ 497,135	\$ 580,849	\$ 598,642	\$ 17,793	3.06%

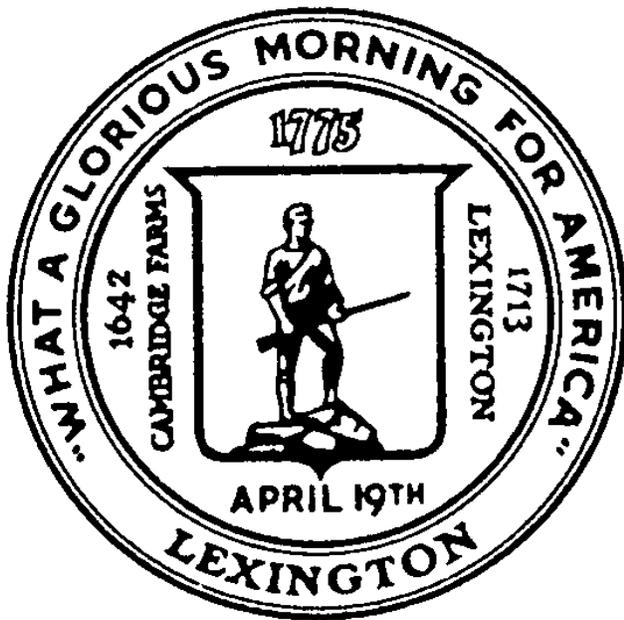
Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 382,048	\$ 308,721	\$ 367,774	\$ 375,987	\$ 8,213	2.23%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Compensation</i>	<i>\$ 382,048</i>	<i>\$ 308,721</i>	<i>\$ 367,774</i>	<i>\$ 375,987</i>	<i>\$ 8,213</i>	<i>2.23%</i>
Contractual Services	\$ 187,288	\$ 159,031	\$ 186,000	\$ 195,180	\$ 9,180	4.94%
Utilities	\$ 6,688	\$ 5,816	\$ 6,100	\$ 6,100	\$ -	0.00%
Supplies	\$ 29,938	\$ 21,586	\$ 18,775	\$ 19,175	\$ 400	2.13%
Small Capital	\$ -	\$ 1,981	\$ 2,200	\$ 2,200	\$ -	0.00%
<i>Expenses</i>	<i>\$ 223,914</i>	<i>\$ 188,414</i>	<i>\$ 213,075</i>	<i>\$ 222,655</i>	<i>\$ 9,580</i>	<i>4.50%</i>
Total 6100-6200 Human Services	\$ 605,962	\$ 497,135	\$ 580,849	\$ 598,642	\$ 17,793	3.06%

Appropriations Summary (General Fund Only)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Personal Services	\$ 350,225	\$ 276,898	\$ 323,701	\$ 331,914	\$ 8,213	2.54%
Expenses	\$ 140,441	\$ 97,109	\$ 110,575	\$ 120,155	\$ 9,580	8.66%
Total 6100-6200 Human Services	\$ 490,666	\$ 374,007	\$ 434,276	\$ 452,069	\$ 17,793	4.10%

Appropriations Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 31,823	\$ 31,823	\$ 44,073	\$ 44,073	\$ -	0.00%
6120 Community Programs	\$ 9,653	\$ 9,653	\$ 9,653	\$ 9,653	\$ -	0.00%
6230 Senior Services	\$ 22,170	\$ 22,170	\$ 34,420	\$ 34,420	\$ -	0.00%
Expenses	\$ 83,473	\$ 91,305	\$ 102,500	\$ 102,500	\$ -	0.00%
6120 Community Programs	\$ 67,902	\$ 79,055	\$ 102,500	\$ 102,500	\$ -	0.00%
6130 Supportive Day Care	\$ 3,321	\$ -	\$ -	\$ -	\$ -	0.00%
6230 Senior Services	\$ 12,250	\$ 12,250	\$ -	\$ -	\$ -	0.00%
Total 6100-6200 Human Services	\$ 115,296	\$ 123,128	\$ 146,573	\$ 146,573	\$ -	0.00%

Section IX: Community Development

Program 7000



Community Development
Planning
Economic Development

Section IX: Program 7000: Community Development

This section includes detailed information about the FY 2012 Recommended Budget & Financing Plan for community development. It includes:

- 7100 Community Development IX-2
- 7200 Planning IX-6
- 7300 Economic Development IX-10

Mission: The Office of Community Development protects the health and safety of residents through the enforcement of public health, building code, zoning, and land-use laws, bylaws and regulations. The Department integrates several different regulatory services, including building, conservation, health, historic districts, and zoning board of appeals. By consolidating these various operations into a single department, the Town is able to streamline code enforcement, outreach and educational activities related to commercial, residential and public development.

Budget Organization: The Community Development Department is comprised of four divisions: Building and Zoning, Regulatory Support, Conservation and Health.

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

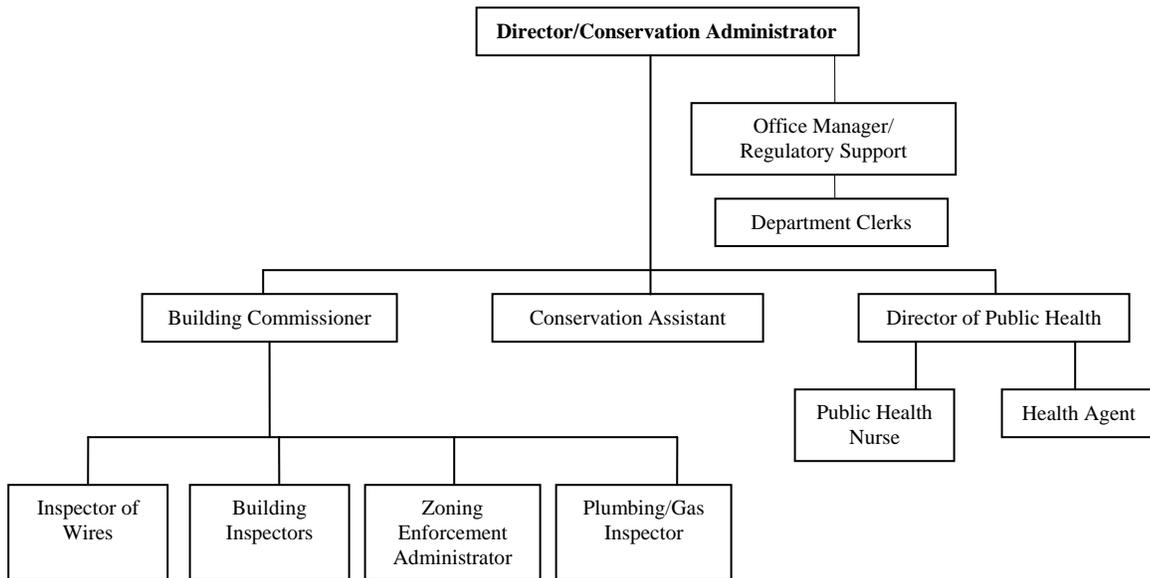
The Regulatory Support Division is responsible for providing administrative support to the Building, Conservation, and Health Divisions and to the Community Development Department boards and commissions, including the Zoning Board of Appeals and Historic Districts Commission.

The Conservation Division is responsible for administering and enforcing the State and local wetland protection codes and the State stormwater management regulations, managing over 1,300 acres of Town-owned conservation land, and providing outreach and education concerning natural and watershed resources.

The Health Division 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.

Departmental Objectives:

1. Continue implementation of the Laserfiche document imaging software.
2. Expand microfilming and scanning program to other divisions within the department.
3. Implement permit tracking software.
4. Continue pandemic flu planning.
5. Develop Food Establishments Emergencies Operation Policy.
6. Prepare and implement land management plans for each conservation area.
7. Implement the watershed stewardship program in collaboration with the Department of Public Works.
8. Implement Action Plan for Willard's Woods.
9. Implement community garden improvements.



Authorized/Appropriated Staffing

	FY 2008 Actual	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Building Commissioner	1	1	1	1	1
Inspector of Wires	1.2	1.2	1.1	1.1	1.1
Building Inspectors	1.13	2.13	2	2	2
Zoning Enforcement Administrator	1	1	1	1	1
Plumbing/Gas Inspector	1.2	1.2	1.2	1.2	1.2
Sealer of Weights and Measures	0.11	0	0	0	0
Office Manager	1	1	1	1	1
Department Clerks	3	3	3	3	3
Community Development Director*	1	1	1	1	1
Conservation Assistant	1	1	1	1	1
Public Health Director	1	1	1	1	1
Health Agent	1	1	1	1	1
Public Health Nurse	0.71	0.71	0.6**	0.6**	0.6**
sub-total FTE	14.35	15.24	14.9	14.9	14.9
sub-total FT/PT	13 FT/5 PT	14 FT/5 PT	15FT/3PT	15FT/3PT	15FT/3PT

*Conservation Administrator

Explanatory Notes:

Part-time Electrical and Plumbing Inspectors were appropriated in FY 2008.

Sealer of Weights and Measures Services were transferred to Building Contractual Services in FY 2009 .

The additional Full-Time Building Inspector was appropriated as of January 1, 2009, and hired in August 2010.

**The Full-Time Public Health Nurse is shared between Lexington (.6) and Belmont (.4) per Nursing Services Agreement executed in FY 2009.

Budget Recommendations:

The FY2012 recommended budget (all funds) reflects a \$49,849 or 4.69 percent increase over the FY 2011 restated budget. This is comprised of a 3.12 percent increase in compensation and a 15.42 percent increase in expenses.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. A \$29,299 increase in compensation attributable to step increases and overtime increases per existing collective bargaining agreements.
2. A \$5,900 increase in Gas/Diesel for the Community Development Department fuel use costs transferred from the Department of Public Works budget.
3. A \$10,300 decrease in Conservation Tools/Lumber/Hardware for the one time FY 2011 Idylewilde community gardens improvements funds.
4. A \$1,700 increase in Board of Health Contractual Services for mosquito control services contract.
5. A \$18,500 increase in Regulatory Support Contractual Services to contract for temporary clerical staff support.
6. A \$4,600 increase in Conservation Contractual Services to install water service at the Dunback Meadow community gardens.

Program Improvement Requests Submitted by Department:

1. \$18,500 to contract temporary clerical staff support.
2. \$11,650 to hire a part-time Conservation Ranger.
3. \$4,600 to install water service at the Dunback Meadow community gardens.

Program Improvement Requests Recommended for Funding:

1. \$18,500 to contract temporary clerical staff support.
2. \$4,600 to install water service at the Dunback Meadow community gardens.

7100 Office of Community Development

Program: Community Development

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ (239,599)	\$ (975,834)	\$ (97,644)	\$ (113,705)	\$ (16,061)	16.45%
Enterprise Funds (Indirects)						
Health Department Revolving Fund	\$ 6,798	\$ 1,359	\$ 10,000	\$ 10,000	\$ -	0.00%
Fees & Charges						
Departmental Fees	\$ 55,525	\$ 72,378	\$ 49,810	\$ 50,100	\$ 290	0.58%
Licenses & Permits	\$ 1,074,400	\$ 1,849,340	\$ 1,111,380	\$ 1,177,000	\$ 65,620	5.90%
Total 7100 Office of Community Development	\$ 897,124	\$ 947,243	\$ 1,073,546	\$ 1,123,395	\$ 49,849	4.64%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 796,045	\$ 829,828	\$ 940,274	\$ 969,573	\$ 29,299	3.12%
Expenses	\$ 101,079	\$ 117,415	\$ 133,272	\$ 153,822	\$ 20,550	15.42%
Total 7100 Office of Community Development	\$ 897,124	\$ 947,243	\$ 1,073,546	\$ 1,123,395	\$ 49,849	4.64%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 7110 Building & Zoning	\$ 386,725	\$ 413,455	\$ 480,493	\$ 493,113	\$ 12,620	2.63%
Total 7120 Regulatory Support	\$ 169,577	\$ 174,692	\$ 194,527	\$ 219,987	\$ 25,460	13.09%
Total 7130 Conservation	\$ 131,963	\$ 155,288	\$ 172,891	\$ 174,135	\$ 1,244	0.72%
Total 7140 Health	\$ 208,859	\$ 203,808	\$ 225,635	\$ 236,161	\$ 10,526	4.67%
Total 7100 Office of Community Development	\$ 897,124	\$ 947,243	\$ 1,073,546	\$ 1,123,395	\$ 49,849	4.64%

Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 794,560	\$ 827,567	\$ 928,578	\$ 955,791	\$ 27,213	2.93%
Overtime	\$ 1,485	\$ 2,261	\$ 11,696	\$ 13,782	\$ 2,086	17.84%
Compensation	\$ 796,045	\$ 829,828	\$ 940,274	\$ 969,573	\$ 29,299	3.12%
Contractual Services	\$ 78,155	\$ 97,908	\$ 99,723	\$ 119,923	\$ 20,200	20.26%
Utilities	\$ 2,666	\$ 2,677	\$ 4,139	\$ 10,339	\$ 6,200	149.79%
Supplies	\$ 20,259	\$ 16,831	\$ 29,410	\$ 23,560	\$ (5,850)	-19.89%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	100.00%
Expenses	\$ 101,079	\$ 117,415	\$ 133,272	\$ 153,822	\$ 20,550	15.42%
Total 7100 Office of Community Development	\$ 897,124	\$ 947,243	\$ 1,073,546	\$ 1,123,395	\$ 49,849	4.64%

Appropriation Summary (General Fund)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 796,045	\$ 829,828	\$ 940,274	\$ 969,573	\$ 29,299	3.12%
Expenses	\$ 94,281	\$ 116,056	\$ 123,272	\$ 143,822	\$ 20,550	16.67%
Total 7100 Office of Community Development	\$ 890,326	\$ 945,884	\$ 1,063,546	\$ 1,113,395	\$ 49,849	4.69%

Appropriations Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 6,798	\$ 1,359	\$ 10,000	\$ 10,000	\$ -	0.00%
7140 Health Revolving Fund	\$ 6,798	\$ 1,359	\$ 10,000	\$ 10,000	\$ -	0.00%
Total 7100 Office of Community Development	\$ 6,798	\$ 1,359	\$ 10,000	\$ 10,000	\$ -	0.00%

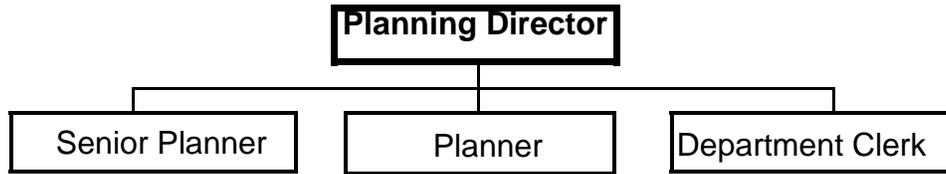
7200 Planning

Mission: Guided by the Comprehensive Plan, the Planning Board and the Planning Office help residents to envision and work toward a community that serves the need of all its citizens and to manage growth and change to maintain the Town's character. Supported by the Planning staff, the Board administers the Zoning By-law and reviews and permits applications for residential and commercial development.

Budget Organization: The Planning Department supports the Planning Board in the implementation of the Comprehensive Plan, 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 CM 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 planning staff participates on a regular basis on the Development Review Team, the Economic Development Advisory Committee, the Housing Partnership Board, the Transportation Management Group, and the HOME Consortium.

Departmental Initiatives:

1. Recodify the Zoning Bylaw to bring it in compliance with statute and case law, utilizing consultant funded by Town Meeting.
2. Update the Development Regulations. Sponsor a symposium on street standards to work toward common standards that meet the needs of varied constituents from the Fire Department to the bicyclists to DPW.
3. Implement the transportation management plan for the Hartwell Avenue Area.
4. Institute process for site plan review in the CM district, coordinating with the Building Commissioner.
5. Explore affordable housing production options utilizing CPA and HOME funds.
6. Oversee the regional Housing Services office, a multi-town effort to provide housing administration services.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Planning Director	1	1	1	1	1
Department Clerk/Adminstrative Assistant	1	1	1	1	1
Planner	0.4	0.4	0.4	0.4	0.4
Senior Planner	1	1	1	1	1
Total FTE	3.4	3.4	3.4	3.4	3.4
Total FT/PT	3 (FT)/1 (PT)				

Budget Recommendations:

The FY2012 recommended budget represents an increase of \$7,012 or 2.19% from the FY2011 Budget. This includes a 2.08% increase in compensation and a \$2,000 increase in expenses. The expenses for FY2011 included \$50,000 for a zoning consultant. While this is not anticipated to be an on-going annual expense, there is a request to fund a consultant for Phase II of this project.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$5,012 increase for salary step increases and other contractual adjustments.

Program Improvement Requests Submitted by Department:

1. \$50,000 for a Zoning Consultant to assist the Town with its Zoning Bylaw rewrite.

Program Improvement Requests Recommended for Funding:

2. \$50,000 for a Zoning Consultant to assist the Town with its Zoning Bylaw rewrite.

7200 Planning

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 234,860	\$ 205,989	\$ 298,515	\$ 308,348	\$ 9,832	3.29%
Enterprise Funds (Indirects)						
Directed Funding						
Fees	\$ 22,280	\$ 18,202	\$ 22,220	\$ 19,400	\$ (2,820)	-12.69%
Total 7200 Planning	\$ 257,140	\$ 224,191	\$ 320,735	\$ 327,748	\$ 7,012	2.19%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 219,065	\$ 216,273	\$ 240,885	\$ 245,898	\$ 5,012	2.08%
Expenses	\$ 38,075	\$ 7,918	\$ 79,850	\$ 81,850	\$ 2,000	2.50%
Total 7200 Planning	\$ 257,140	\$ 224,191	\$ 320,735	\$ 327,748	\$ 7,012	2.19%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 7200 Planning	\$ 257,140	\$ 224,191	\$ 320,735	\$ 327,748	\$ 7,012	2.19%
Total 7200 Planning	\$ 257,140	\$ 224,191	\$ 320,735	\$ 327,748	\$ 7,012	2.19%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 217,197	\$ 214,278	\$ 237,200	\$ 242,698	\$ 5,498	2.32%
Overtime	\$ 1,868	\$ 1,994	\$ 3,685	\$ 3,200	\$ (485)	-13.17%
<i>Compensation</i>	<i>\$ 219,065</i>	<i>\$ 216,273</i>	<i>\$ 240,885</i>	<i>\$ 245,898</i>	<i>\$ 5,012</i>	<i>2.08%</i>
Contractual Services	\$ 35,569	\$ 4,276	\$ 76,350	\$ 77,900	\$ 1,550	2.03%
Utilities	\$ 600	\$ 600	\$ 600	\$ 600	\$ -	0.00%
Supplies	\$ 1,906	\$ 3,042	\$ 2,900	\$ 3,350	\$ 450	15.52%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	100.00%
<i>Expenses</i>	<i>\$ 38,075</i>	<i>\$ 7,918</i>	<i>\$ 79,850</i>	<i>\$ 81,850</i>	<i>\$ 2,000</i>	<i>2.50%</i>
Total 7200 Planning	\$ 257,140	\$ 224,191	\$ 320,735	\$ 327,748	\$ 7,012	2.19%

7300 Economic Development

Mission: The Economic Development Office works to strengthen the tax base and improve the quality of life for all residents. The Office provides comprehensive services to existing and prospective businesses and individuals that emphasize proactive support and enhancement of a healthy business climate in Lexington. The purpose of the Office is to foster the growth of the Town's commercial tax base and maintain a positive relationship with local businesses by serving as a liaison to businesses and to encourage business retention and expansion by providing information, technical assistance and help with meeting local land use regulations.

Taking advantage of the economic opportunities available to the Town from tourism continues to be the focus of the Tourism Committee. Three programs: the Liberty Ride, the Battle Green Guides and the regional marketing program are aimed at promoting Lexington's role in the history of our country.

Budget Organization: Economic Development budget is divided into three elements: the Economic Development Officer, the Liberty Ride and the Battle Green Guides. These latter two programs are under the direction of the Tourism Committee, that is appointed by the Board of Selectmen.

Economic Development: The Economic Development Director is tasked with strengthening the tax base and providing services to existing and prospective businesses. The Economic Development Office is supported by the Economic Development Advisory Committee and is staff to the Lexington Center Committee.

Despite the economic downturn, Liberty Ride ridership continues to grow. Through fees, this tour of Lexington and Concord serves as the only public transportation link to the areas historic sites. Designed to spur economic development, it has continued to improve the tourism experience. In FY2012 the Liberty Ride will celebrate its 10th season. The Liberty Ride continues to be self-sufficient from an operational and cash flow standpoint.

The Battle Green Guides serve as ambassadors for the Town, teaching residents and visitors about our rich history, and encouraging them to visit our historic sites and shop and dine in Town. The funding from this line item provides Guide coverage on the Battle Green from April through October, which is the primary tourist season although Lexington receives visitors year round.

The \$15,000 marketing budget has helped increase visitation. This year Lexington's first official Visitor's Guide and Map was prepared and distributed with this funding. The Town has also leveraged thousands of dollars in advertising through strategic use of these funds.

Departmental Initiatives:

Economic Development Director

1. Work with the Center Committee and other center related boards, committees and staff on the parking management implementation.

7300 Economic Development

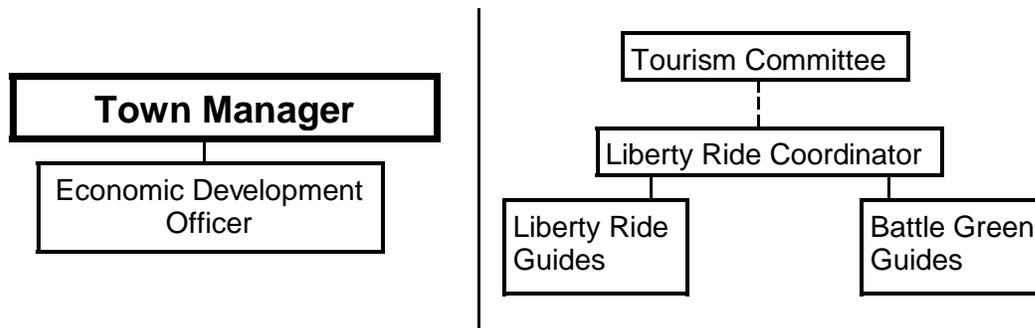
2. Work with Engineering on the second grant for South Lexington infrastructure and complete all grant reporting requirements on a timely basis.
3. Complete and implement commercial permit guide working with Community Development Department, Board of Selectmen, Planning Department and others.
4. Work with the Planning Board on zoning and regulatory changes that will encourage long-term economic development in large commercial areas.

Battle Green Guide/Liberty Ride

1. Targeting cultural tourists through the new "Linger in Lexington" campaign.
2. Plan an arts, music, and culture festival in May 2011.
3. Complete the Battle Green Master Plan and begin implementation.
4. Continue to foster Sister City relationship with Antony, France, including public input and approval for Antony Park design.

7300 Economic Development

Program: Community Development
Town of Lexington, Massachusetts



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Economic Development Officer	1	1	1	1	1
Battle Green Guides	Seasonal	Seasonal	Seasonal	Seasonal	Seasonal
Liberty Ride Coordinator	0.5	0.5	0.5	0.5	0.5
Liberty Ride Guides	Seasonal	Seasonal	Seasonal	Seasonal	Seasonal
Total FT/PT	1FT/1PT	1FT/1PT	1FT/1PT	1FT/1PT	1FT/1PT

7300 Economic Development

Program: Community Development
Town of Lexington, Massachusetts

Budget Recommendations:

The FY2012 recommended budget for all funds reflects a \$82,549 or 28.77% increase over the FY11 budget. This is comprised of a 5.55% increase in compensation and a 174.94% increase in expense related to the General Fund as well as a 22.63% increase in the Liberty Ride Revolving Fund.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$1,408 increase in compensation for the Battle Green due primarily to additional hours for this program.
2. \$24,457 increase in compensation for the Liberty Ride, due to additional hours and salary adjustment. (Revolving Fund).
3. \$5,000 increase in expenses for the Liberty Ride for additional advertising. (Revolving Fund).
4. \$38,000 increase in expenses to implement the parking management study.
5. \$15,000 to fund Lexington Center improvements. (to be funded with Center Business District Stabilization Fund)

Program Improvement Requests Submitted by Department:

1. \$38,000 for implementation of the Parking Management Study.
2. \$15,000 to fund Lexington Center improvements.

Program Improvement Requests Recommended for Funding:

1. \$38,000 for implementation of the Parking Management Study.
2. \$15,000 to fund Lexington Center improvements.

7300 Economic Development

Program: Community Development

Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY 2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 89,352	\$ 84,271	\$ 112,517	\$ 155,609	\$ 43,092	38.30%
Liberty Ride Revolving Fund	\$ 125,630	\$ 166,000	\$ 174,375	\$ 198,832	\$ 24,457	14.03%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Center Improvement District Stabilization Fund	\$ -	\$ -	\$ -	\$ 15,000		
Total 7310 Economic Development	\$ 214,982	\$ 250,271	\$ 286,892	\$ 369,441	\$ 82,549	28.77%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY 2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 117,131	\$ 124,220	\$ 142,199	\$ 145,983	\$ 3,784	2.66%
Expenses	\$ 97,851	\$ 126,051	\$ 144,693	\$ 223,457	\$ 78,764	54.44%
Total 7310 Economic Development	\$ 214,982	\$ 250,271	\$ 286,892	\$ 369,441	\$ 82,549	28.77%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY 2012 Recommended	Dollar Increase	Percent Increase
Total 7310 Economic Development Office	\$ 79,714	\$ 80,824	\$ 86,125	\$ 142,808	\$ 56,683	65.82%
Total 7320 Liberty Ride	\$ 125,828	\$ 161,550	\$ 174,375	\$ 198,832	\$ 24,457	14.03%
Total 7330 Battle Green Guides	\$ 9,440	\$ 7,897	\$ 26,392	\$ 27,800	\$ 1,408	5.33%
Total 7310 Economic Development	\$ 214,982	\$ 250,271	\$ 286,892	\$ 369,441	\$ 82,549	28.77%

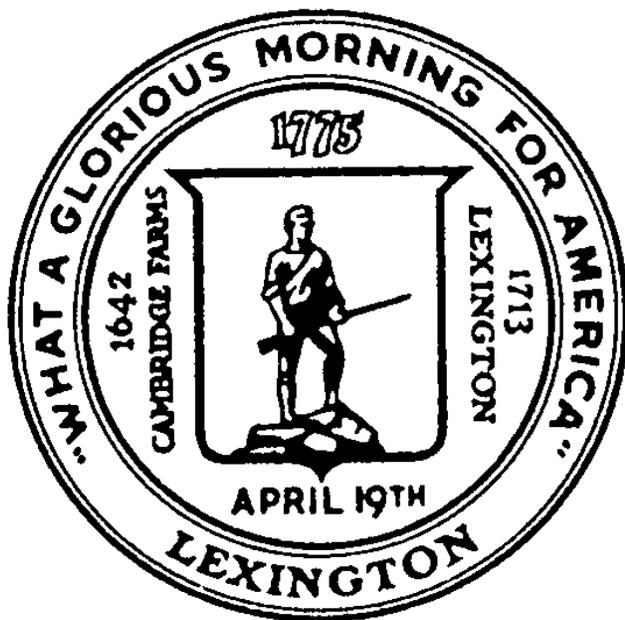
Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY 2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 117,131	\$ 124,220	\$ 142,199	\$ 145,983	\$ 3,784	2.66%
Overtime		\$ -	\$ -	\$ -	\$ -	0.00%
<i>Personal Services</i>	<i>\$ 117,131</i>	<i>\$ 124,220</i>	<i>\$ 142,199</i>	<i>\$ 145,983</i>	<i>\$ 3,784</i>	<i>2.66%</i>
Contractual Services	\$ 93,169	\$ 116,866	\$ 119,043	\$ 196,707	\$ 77,664	65.24%
Utilities	\$ 981	\$ 719	\$ -	\$ -	\$ -	0.00%
Supplies	\$ 3,082	\$ 7,722	\$ 9,900	\$ 11,000	\$ 1,100	11.11%
Small Capital	\$ 620	\$ 745	\$ 15,750	\$ 15,750	\$ -	0.00%
<i>Expenses</i>	<i>\$ 97,852</i>	<i>\$ 126,051</i>	<i>\$ 144,693</i>	<i>\$ 223,457</i>	<i>\$ 78,764</i>	<i>54.44%</i>
Total 7310 Economic Development	\$ 214,983	\$ 250,271	\$ 286,892	\$ 369,441	\$ 82,549	28.77%

Appropriations Summary (General Fund Only)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY 2012 Recommended	Dollar Increase	Percent Increase
Personal Services	\$ 94,031	\$ 83,889	\$ 90,767	\$ 95,808	\$ 5,041	5.55%
Expenses	\$ 12,623	\$ 4,832	\$ 21,750	\$ 59,800	\$ 38,050	174.94%
Total 7310 Economic Development	\$ 106,654	\$ 88,720	\$ 112,517	\$ 155,608	\$ 43,091	38.30%

Appropriations Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY 2011 Restated	FY 2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 23,100	\$ 40,331	\$ 51,432	\$ 50,175	\$ (1,257)	-2.44%
7320 Liberty Ride- Liberty Ride Revolving Fund	\$ 23,100	\$ 40,331	\$ 51,432	\$ 50,175	\$ (1,257)	-2.44%
Expenses	\$ 85,228	\$ 121,219	\$ 122,943	\$ 163,657	\$ 40,714	33.12%
7310 Econ. Devel. Office: Center Improvement District Stabilization Fund	\$ -	\$ -	\$ -	\$ 15,000	\$ 15,000	100.00%
7320 Liberty Ride- Liberty Ride Revolving Fund	\$ 119,944	\$ 121,219	\$ 122,943	\$ 148,657	\$ 25,714	20.92%
Total 7310 Economic Development	\$ 108,328	\$ 161,550	\$ 174,375	\$ 213,832	\$ 39,457	22.63%

Section X: General Government

Program 8000



Board of Selectmen
Town Manager
Town Committees
Finance
Town Clerk
Management Information Systems

Section X: Program 8000: General Government

This section includes detailed information about the FY 2012 Recommended Budget & Financing Plan for general government. It includes:

- 8100 Board of Selectmen X-2
- 8200 Town Manager X-7
- 8300 Town Committees X-11
- 8400 Finance X-15
- 8500 Town Clerk X-20
- 8600 Management Information Systems X-24

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 Organization: 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 Executive Clerk and the Municipal Clerk who assist the Selectmen and coordinate activities with the Town Manager's Office. The staff prepares the Annual and Special Town Meeting Warrants and assists 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, gasoline 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 for 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 and prepares the Warrant for the Annual and Special Town meetings.

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.

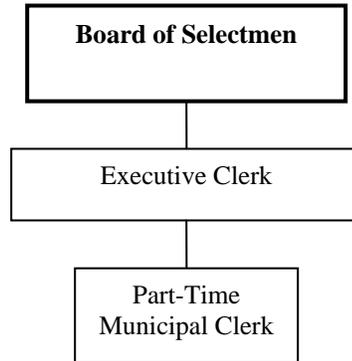
The Town Report is the official proceeding and activities of Town Government. It is required under state law to be prepared annually.

Departmental Initiatives:

1. Continue to work on the development of funding strategies for major road, traffic calming, intersection, and sidewalk projects.
2. Consider proposals for enhancements of the Town's commercial base including support of efforts to re-energize Hartwell Avenue.

8100 Board of Selectmen

3. Reach agreement on the makeup of a list of capital projects, establish priorities for each item on the list, and provide the necessary community education required by that list.
4. Provide input on the re-use of historic structures such as the Stone Building and the White House.



Authorized/Appropriated Staffing

	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Executive Clerk	0.86	0.94	0.94	0.94	0.94
Part-Time Municipal Clerk	0.54	0.56	0.56	0.56	0.56
Total FTE	1.40	1.50	1.50	1.50	1.50
Total FT/PT	0 FT/ 2 PT				

Explanatory Notes:

Executive Clerk is budgeted for 33 hours per week and the Department Clerks work a total of up to 19 hours and cover vacation time for the Executive Clerk.

8100 Board of Selectmen

Budget Recommendations:

The FY2012 recommended budget (all funds) represents an increase of \$69,862 or 7.13% over the FY2011 Budget. This is comprised of a 3.99% increase in compensation, a 47.17% increase in Board related expenses, and a 6.25% increase in the PEG Revolving Fund.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$3,362 increase in compensation for step increases and other contractual obligations.
2. \$6,000 to continue funding elements of the Town's 300th Celebrations Committee preparations.
3. \$36,000 to provide matching funds for the Adams Art Grant.

Program Improvement Requests Submitted by Department:

1. \$36,000 to provide matching funds for the Adams Art Grant, being applied for by the Tourism Committee.
2. \$6,000 to continue funding elements of the Town's 300th Celebrations Committee preparations.

Program Improvement Requests Recommended for Funding:

1. \$36,000 to provide matching funds for the Adams Art Grant, being applied for by the Tourism Committee.
2. \$6,000 to continue funding elements of the Town's 300th Celebrations Committee preparations.

8100 Board of Selectmen

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 456,036	\$ 405,203	\$ 507,542	\$ 554,139	\$ 46,597	9.18%
Enterprise Funds (Indirects)	\$ -	\$ -	\$ 1,083	\$ 1,048	\$ (35)	-3.23%
Revolving Funds						
PEG TV/Cable Access	\$ 421,653	\$ 331,498	\$ 400,000	\$ 425,000	\$ 25,000	6.25%
Directed Funding						
Licenses & Permits	\$ 82,670	\$ 79,405	\$ 70,600	\$ 68,900	\$ (1,700)	-2.41%
Total 8100 Board of Selectmen	\$ 960,359	\$ 816,106	\$ 979,225	\$ 1,049,087	\$ 69,862	7.13%

\$ -

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 72,266	\$ 78,737	\$ 84,250	\$ 87,612	\$ 3,362	3.99%
Expenses	\$ 488,517	\$ 395,936	\$ 487,975	\$ 554,475	\$ 66,500	13.63%
Legal	\$ 392,576	\$ 334,958	\$ 400,000	\$ 400,000	\$ -	0.00%
Town Report	\$ 7,000	\$ 6,475	\$ 7,000	\$ 7,000	\$ -	0.00%
Total 8100 Board of Selectmen	\$ 960,359	\$ 816,106	\$ 979,225	\$ 1,049,087	\$ 69,862	7.13%

Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8110 Selectmen's Office	\$ 139,130	\$ 143,175	\$ 172,225	\$ 217,087	\$ 44,862	26.05%
Total 8120 Legal	\$ 392,576	\$ 334,958	\$ 400,000	\$ 400,000	\$ -	0.00%
Total 8130 Town Report	\$ 7,000	\$ 6,475	\$ 7,000	\$ 7,000	\$ -	0.00%
Total 8140 PEG Revolving Fund	\$ 421,653	\$ 331,498	\$ 400,000	\$ 425,000	\$ 25,000	6.25%
Total 8100 Board of Selectmen	\$ 960,359	\$ 816,106	\$ 979,225	\$ 1,049,087	\$ 69,862	7.13%

Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 72,266	\$ 78,737	\$ 84,250	\$ 87,612	\$ 3,362	3.99%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Personal Services	\$ 72,266	\$ 78,737	\$ 84,250	\$ 87,612	\$ 3,362	3.99%
Contractual Services	\$ 871,627	\$ 720,305	\$ 872,475	\$ 933,475	\$ 61,000	6.99%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies	\$ 16,189	\$ 16,769	\$ 22,000	\$ 28,000	\$ 6,000	27.27%
Small Capital	\$ 276	\$ 295	\$ 500	\$ -	\$ (500)	-100.00%
Expenses	\$ 888,092	\$ 737,368	\$ 894,975	\$ 961,475	\$ 66,500	7.43%
Total 8100 Board of Selectmen	\$ 960,359	\$ 816,106	\$ 979,225	\$ 1,049,087	\$ 69,862	7.13%

Appropriation Summary (General Fund)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 72,266	\$ 78,737	\$ 84,250	\$ 87,612	\$ 3,362	3.99%
Expenses	\$ 66,864	\$ 64,438	\$ 87,975	\$ 129,475	\$ 41,500	47.17%
Legal Services	\$ 392,576	\$ 334,958	\$ 400,000	\$ 400,000	\$ -	0.00%
Town Report	\$ 7,000	\$ 6,475	\$ 7,000	\$ 7,000	\$ -	0.00%
Total 8100 Board of Selectmen	\$ 538,706	\$ 484,608	\$ 579,225	\$ 624,087	\$ 44,862	7.75%

Appropriation Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ 421,653	\$ 331,498	\$ 400,000	\$ 425,000	\$ 25,000	6.25%
PEG Revolving Fund	\$ 421,653	\$ 331,498	\$ 400,000	\$ 425,000	\$ 25,000	6.25%
Total 8100 Board of Selectmen	\$ 421,653	\$ 331,498	\$ 400,000	\$ 425,000	\$ 25,000	6.25%

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. In addition, the Town Manager's Office is responsible for human resource and benefit administration and risk management.

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

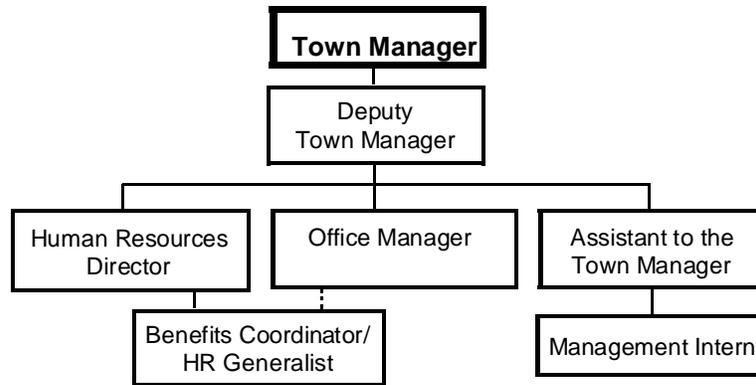
Organizational Direction and Administration includes day-to-day oversight for all general government departments, town-wide staff training and professional development, special projects and website management. This function also implements all decisions of Board of Selectmen and provides staff support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

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

Departmental Initiatives:

1. Manage the implementation phase of the Town Office Building renovation.
2. Implement a multi-year professional development plan primarily focused on middle managers.
3. Evaluate features and usability of Town's web presence and identify options for enhancement.
4. Continue to refine and implement administrative policies for the organization.
5. Issue an RFP for a classification and compensation study for the Lexington Municipal Management Association.

8200 Town Manager



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Town Manager	1	1	1	1	1
Deputy Town Manager	1	1	1	1	1
Office Manager	1	1	1	1	1
Administrative Assistant	1	0	0	0	0
Benefits Coordinator/HR Generalist	0	1	1	1	1
Assistant to the Town Manager	1	1	1	1	1
Human Resources Director	1	1	1	1	1
Hearing Officers	0.12	0.12	0.12	0.12	0.12
Management Intern	1	1	1	1	1
Administrative Assistant- Benefits Management	0	0	0	0	0.46
Total FTE	7.12	7.12	7.12	7.12	7.58
Total Full/Part Time	7 FT / 2 PT	7 FT / 3 PT			

8200 Town Manager

Budget Recommendations:

The FY2012 recommended budget reflects a \$63,258 or 8.23% increase over the FY11 adjusted budget. This is comprised of a \$34,518, or 6.25% increase in compensation and a \$28,740 or 13.24% increase in expenses. The department's budget includes all contractual settlements for FY10-FY12.

The Salary Adjustment Account is for anticipated collective bargaining settlements, other wage increases and compensated leave payments due certain municipal employees. Once contract settlements are reached, funds are transferred from this account to the appropriate departmental budget upon a vote of the Board of Selectmen.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. A \$15,214 increase in compensation for contractual obligations.
2. A shifting of the recommended funding Advertising, from Element 8210 – Organizational Direction and Administration to Element 8220 - Human Resources.
3. \$20,000 to purchase office equipment needed as result of the Town Office Building renovation project.
4. \$19,304 for part-time administrative support for Human Resource benefits management.

Program Improvement Requests Submitted by Department:

1. \$20,000 to fund an ADA Town Building Accessibility Study.
2. \$50,000 to hire a full-time administrative support person for Human Resource benefits management.

Program Improvement Requests Recommended for Funding:

1. \$20,000 to fund an ADA Town Building Accessibility Study.
2. \$35,137 to hire a part-time administrative support person for Human Resource benefits management.

8200 Town Manager

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 721,745	\$ 686,318	\$ 706,253	\$ 754,812	\$ 48,559	6.88%
Enterprise Funds (Indirect)	\$ 16,000	\$ 17,750	\$ 45,000	\$ 43,549	\$ (1,451)	-3.23%
Available Funds						
Rentals	\$ 7,197	\$ 33,910	\$ 17,750	\$ 33,900	\$ 16,150	90.99%
Total	\$ 744,942	\$ 737,978	\$ 769,002	\$ 832,261	\$ 63,258	8.23%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 530,376	\$ 540,550	\$ 551,992	\$ 586,511	\$ 34,518	6.25%
Expenses	\$ 214,565	\$ 197,428	\$ 217,010	\$ 245,750	\$ 28,740	13.24%
Total	\$ 744,942	\$ 737,978	\$ 769,002	\$ 832,261	\$ 63,258	8.23%

Level-Service Requests	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8210 Organizational Dir. & Admin.	\$ 500,601	\$ 505,400	\$ 570,403	\$ 598,949	\$ 28,546	5.00%
Total 8220 Human Resources	\$ 244,341	\$ 232,578	\$ 198,599	\$ 233,312	\$ 34,713	17.48%
Total 8200 Town Manager	\$ 744,942	\$ 737,978	\$ 769,002	\$ 832,261	\$ 63,258	8.23%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 530,376	\$ 540,550	\$ 551,992	\$ 586,511	\$ 34,518	6.25%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Personal Services</i>	<i>\$ 530,376</i>	<i>\$ 540,550</i>	<i>\$ 551,992</i>	<i>\$ 586,511</i>	<i>\$ 34,518</i>	<i>6.25%</i>
Contractual Services	\$ 188,824	\$ 187,151	\$ 181,810	\$ 194,000	\$ 12,190	6.70%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies	\$ 13,839	\$ 10,277	\$ 15,700	\$ 32,250	\$ 16,550	105.41%
Small Capital	\$ 11,903	\$ -	\$ 19,500	\$ 19,500	\$ -	0.00%
<i>Expenses</i>	<i>\$ 214,565</i>	<i>\$ 197,428</i>	<i>\$ 217,010</i>	<i>\$ 245,750</i>	<i>\$ 28,740</i>	<i>13.24%</i>
Total 8200 Town Manager	\$ 744,942	\$ 737,978	\$ 769,002	\$ 832,261	\$ 63,258	8.23%

Budget Summary- Salary Adjustment Account (8230)

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ -	\$ -	\$ 365,234	\$ 469,070	\$ 103,836	28.43%
Total 8200 Town Manager	\$ -	\$ -	\$ 365,234	\$ 469,070	\$ 103,836	28.43%

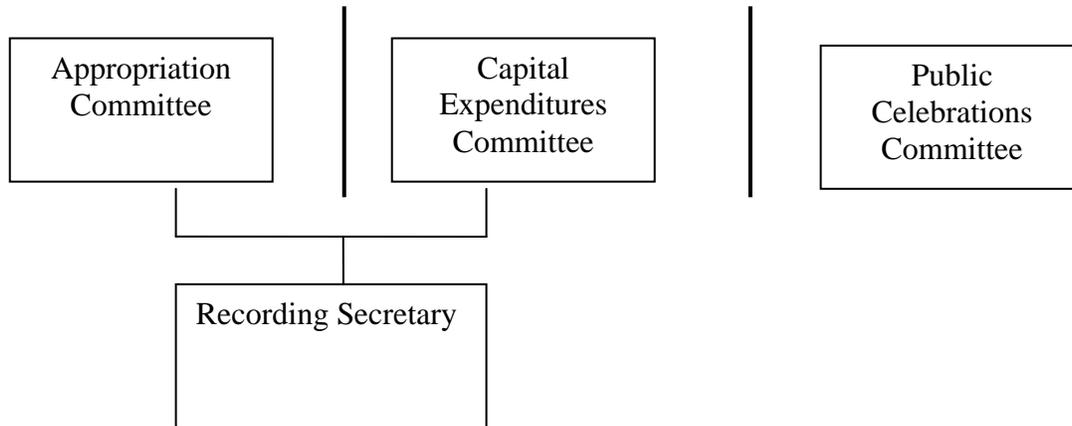
Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8230 Salary Adjustment	\$ -	\$ -	\$ 365,234	\$ 469,070	\$ 103,836	28.43%
Total 8200 Town Manager	\$ -	\$ -	\$ 365,234	\$ 469,070	\$ 103,836	28.43%

8300 Town Committees

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

Budget Organization: The Town Committees budget provides limited 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, that is, the Appropriation Committee and the Capital Expenditures Committee, provide detailed financial review and analysis to Town Meeting. The Public Celebrations Committee plans the Town's annual celebrations, including parades and events on Veteran's, Memorial and Patriot's Day.

8300 Town Committees



Authorized/Appropriated Staffing

A part-time Recording Secretary supports both financial committees.

8300 Town Committees

Budget Recommendations:

The FY2012 recommended budget represents a \$1,000 or 2.27% increase over the FY 2011 Restated Budget.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. A \$1,000 to cover the increase costs for the Patriot's Day Celebration.

Program Improvement Requests Submitted by Department:

1. \$750 to cover the cost of the Citizens' Academy Program.

Program Improvement Requests Recommended for Funding: None

8300 Town Committees

Program: General Government
Town of Lexington, Massachusetts

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 33,972	\$ 32,734	\$ 44,000	\$ 45,000	\$ 1,000	2.27%
Enterprise Funds (Indirects)						
Available Fees						
Total 8300 Town Committees	\$ 33,972	\$ 32,734	\$ 44,000	\$ 45,000	\$ 1,000	2.27%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8310 Financial Committees	\$ 1,673	\$ 326	\$ 7,500	\$ 7,500	\$ -	0.00%
Total 8320 Misc. Boards & Committees	\$ 2,757	\$ 2,442	\$ 4,500	\$ 4,500	\$ -	0.00%
Total 8330 Public Celebrations	\$ 29,498	\$ 29,966	\$ 32,000	\$ 33,000	\$ 1,000	3.13%
Total 8300 Town Committees	\$ 33,927	\$ 32,734	\$ 44,000	\$ 45,000	\$ 1,000	2.27%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8310 Financial Committees	\$ 1,673	\$ 326	\$ 7,500	\$ 7,500	\$ -	0.00%
Total 8320 Misc. Boards & Committees	\$ 2,757	\$ 2,442	\$ 4,500	\$ 4,500	\$ -	0.00%
Total 8330 Public Celebrations	\$ 29,498	\$ 29,966	\$ 32,000	\$ 33,000	\$ 1,000	3.13%
Total 8300 Town Committees	\$ 33,927	\$ 32,734	\$ 44,000	\$ 45,000	\$ 1,000	2.27%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ -	\$ -	\$ 6,000	\$ 6,000	\$ -	0.00%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Compensation</i>	\$ -	\$ -	\$ 6,000	\$ 6,000	\$ -	0.00%
Contractual Services	\$ 2,412	\$ 477	\$ 4,000	\$ 4,000	\$ -	0.00%
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies	\$ 31,516	\$ 32,258	\$ 34,000	\$ 35,000	\$ 1,000	2.94%
Small Capital	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Expenses</i>	\$ 33,927	\$ 32,734	\$ 38,000	\$ 39,000	\$ 1,000	2.63%
Total 8300 Town Committees	\$ 33,927	\$ 32,734	\$ 44,000	\$ 45,000	\$ 1,000	2.27%

8400 Finance

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

Budget Organization: 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.

Departmental Initiatives:

Assessing:

1. Perform triennial revaluation of property values.

Comptroller:

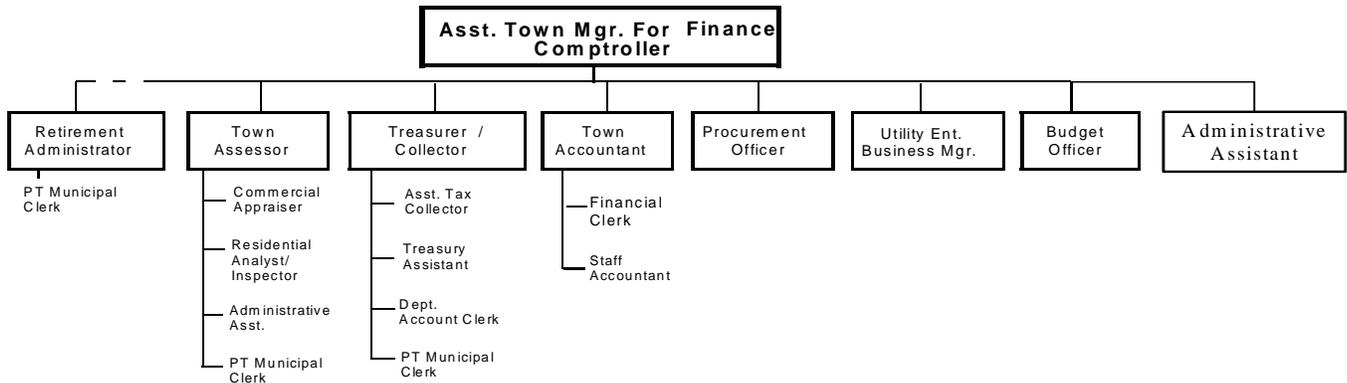
1. Implement electronic purchase order system
2. Implement general billing for miscellaneous receivables

8400 Finance

Treasurer/Collector:

1. Continue progress in putting delinquent taxes into tax title to insure ultimate collection of past due amounts.
2. Move unpaid water and sewer bills onto tax bills preparatory to moving delinquent taxes (inclusive of unpaid utility charges) to tax title, thus insuring ultimate collection of past due utility bills.
3. Bid Banking Services.
4. Bid Bill Printing Services.

8400 Finance



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Recommended
Element 8410: Comptroller					
Asst. Town Manager for Finance/Comptroller	1	1	1	1	1
Town Accountant	1	1	1	1	1
Staff Accountant	1	1	1	1	1
Procurement Officer	1	1	1	1	1
Retirement Administrator *	0	0	0	0	0
Municipal Clerk*	0.51	0.51	0.51	0.51	0.51
Financial Clerk	1	1	1	1	1
Budget Officer	1	1	1	1	1
Administrative Support	---	---	0.40	0.40	0.4
sub-total FTE	6.51	6.51	6.91	6.91	6.91
sub-total FT/PT	6 FT / OPT	6 FT / OPT	6 FT / 1PT	6 FT / 1PT	6 FT / 1PT
Element 8420: Treasurer/Collector					
Treasurer/Collector	1	1	1	1	1
Assistant Tax Collector	1	1	1	1	1
Treasury Assistant	1	1	1	1	1
Account Clerk	1	1	1	1	1
Municipal Clerk	0.46	0.46	0.46	0.46	0.46
sub-total FTE	4.46	4.46	4.46	4.46	4.46
sub-total FT/PT	4 FT/1 PT				
Element 8430: Assessor					
Town Assessor	1	1	1	1	1
Residential Analyst/Inspector	2	2	2	2	2
Commercial Appraiser	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Municipal Clerk	0.46	0.46	0.46	0.46	0.46
sub-total FTE	5.46	5.46	5.46	5.46	5.46
sub-total FT/PT	5FT/1 PT				
Element 8440: Utility Billing					
Utility Enterprise Business Manager	1	1	1	1	1
sub-total FTE	1.00	1.00	1.00	1.00	1.00
sub-total FT/PT	1 FT/0 PT				
Total FTE	17.42	17.42	17.82	17.82	17.82
Total FT/PT	16 FT/2 PT	16 FT/2 PT	16 FT/3 PT	16 FT/3 PT	16 FT/3 PT

Explanatory Notes:

* Paid by Retirement Board eff. FY 2004

8400 Finance

Budget Recommendations:

The FY2012 recommended budget represents an increase of \$31,088 or 2.07 percent over the FY2011 Budget. This includes a \$36,748, or 3.30 percent, increase in compensation and a \$5,660, or 1.45 percent, decrease in expenses.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. A \$29,448 increase for salary/step increases and other contractual adjustments.
2. A \$10,000 decrease in expenses for tax title services. This was a one-time appropriation in FY2011 for this activity.
3. A \$2,000 increase in bank charges, specifically for armored car services.
4. A \$7,300 increase to hire specialized residential appraiser services in the Assessing Office.

Program Improvement Requests Submitted by Department:

1. \$7,300 to hire specialized residential appraiser services in the Assessing Office.
2. \$39,644 to convert the part-time Principal Clerk in the Assessing Department to Full-time

Program Improvement Requests Recommended for Funding:

1. \$7,300 to hire specialized residential appraiser services in the Assessing Office.

8400 Finance

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 951,018	\$ 1,007,026	\$ 1,228,783	\$ 1,267,272	\$ 38,490	3.13%
Enterprise Funds (Indirects)	\$ 311,788	\$ 320,139	\$ 238,780	\$ 231,079	\$ (7,701)	-3.23%
Fees & Charges						
Charges for Services	\$ 43,937	\$ 37,585	\$ 36,000	\$ 36,300	\$ 300	0.83%
Total 8400 Finance	\$ 1,306,744	\$ 1,364,750	\$ 1,503,563	\$ 1,534,651	\$ 31,088	2.07%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 1,057,594	\$ 1,076,447	\$ 1,112,059	\$ 1,148,807	\$ 36,748	3.30%
Expenses	\$ 249,150	\$ 288,303	\$ 391,504	\$ 385,844	\$ (5,660)	-1.45%
Total 8400 Finance	\$ 1,306,744	\$ 1,364,750	\$ 1,503,563	\$ 1,534,651	\$ 31,088	2.07%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8410 Comptroller	\$ 523,272	\$ 530,285	\$ 569,260	\$ 586,847	\$ 17,587	3.09%
Total 8420 Treasurer/Collector	\$ 277,268	\$ 323,349	\$ 371,766	\$ 370,330	\$ (1,436)	-0.39%
Total 8430 Assessor	\$ 438,027	\$ 450,274	\$ 494,394	\$ 509,331	\$ 14,937	3.02%
Total 8440 Utility Billing	\$ 68,177	\$ 60,841	\$ 68,143	\$ 68,143	\$ 0	0.00%
Total 8400 Finance	\$ 1,306,744	\$ 1,364,750	\$ 1,503,563	\$ 1,534,651	\$ 31,088	2.07%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 1,057,594	\$ 1,076,447	\$ 1,112,059	\$ 1,148,807	\$ 36,748	3.30%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Compensation</i>	<i>\$ 1,057,594</i>	<i>\$ 1,076,447</i>	<i>\$ 1,112,059</i>	<i>\$ 1,148,807</i>	<i>\$ 36,748</i>	<i>3.30%</i>
Contractual Services	\$ 202,509	\$ 248,525	\$ 336,115	\$ 329,765	\$ (6,350)	-1.89%
Utilities	\$ 3,520	\$ (2,391)	\$ 1,249	\$ 1,249	\$ -	0.00%
Supplies	\$ 32,321	\$ 42,169	\$ 54,140	\$ 54,830	\$ 690	1.27%
Small Capital	\$ 10,800	\$ -	\$ -	\$ -	\$ -	0.00%
<i>Expenses</i>	<i>\$ 249,150</i>	<i>\$ 288,303</i>	<i>\$ 391,504</i>	<i>\$ 385,844</i>	<i>\$ (5,660)</i>	<i>-1.45%</i>
Total 8400 Finance	\$ 1,306,744	\$ 1,364,750	\$ 1,503,563	\$ 1,534,651	\$ 31,088	2.07%

8500 Town Clerk

Mission: The Office of the Town Clerk serves as a primary provider of official documents for the Town through its work as the custodian of and recording office for the official Town records, issuing marriage licenses and recording vital statistics, issuing dog licenses, registering businesses, and conducting the 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.

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

Town Clerk Administration: The Town Clerk's Office staffing request remains the same, 3 full-time and 2 part-time. The budget reflects contractual obligation from all existing contractual settlements.

Registration: Registrar stipends remain level funded. Expenses are related to costs associated with maintaining voter registration rolls, annual census, printing of annual list of residents, and reprecincting notification to voters for the 2010 federal census.

Elections: Two elections scheduled for FY12 - February/March 2012 Presidential Primary and March 2012 Annual Town Election (as opposed to 3 scheduled election for FY11). Request this year also includes funding for one Special Town Meeting.

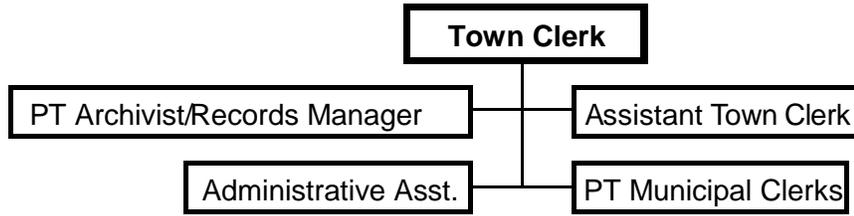
Archives & Records Management: Requested FY2012 funding covers annual updates to Code of Lexington, electronic management, contractual archival services, and some document treatment and microfilming. Requests for microfilming/preservation/conversation of historic documents requested from the CPA. Personal Services is for previously authorized Part-Time Archivist/Records Manager.

Departmental Initiatives:

1. Development of coordinated Archives & Records Management Program, CPA support for historic records conservation & preservation, and records indexing.
2. Laserfiche Document Imaging System implementation for records retention and electronic access.

8500 Town Clerk

Program: General Government
Town of Lexington, Massachusetts



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Town Clerk	1	1	1	1	1
Administrative Assistant	1	0	1	1	1
Assistant Town Clerk	0	1	1	1	1
Information Specialist	1	1	0	0	0
Municipal Clerk	0.91	0.91	0.91	0.91	0.91
Archivist/Records Manager	0.46	0.46	0.46	0.46	0.46
Total FTE	4.37	4.37	4.37	4.37	4.37
Total FT/PT	3 FT /3 PT				

8500 Town Clerk

Budget Recommendations:

The FY2012 recommended budget represents a decrease of \$15,284 or 3.66 percent compared to the FY11 Restated Budget. This includes 3.33 percent decrease in compensation and a 4.61 percent decrease in expenses. It continues to include funds for codification of Town bylaws and the salary of a part-time Archivist/Records Manager, funded by the FY2007 override.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$10,334 decrease in compensation principally related to the administration of elections, as a result of the decrease in the number of elections.
2. \$4,950 decrease in expenses due to fewer elections in FY2012.

Program Improvement Requests Submitted by Department: None

Program Improvement Requests Recommended for Funding: None

8500 Town Clerk

Budget Summary:

Funding Sources	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 299,066	\$ 277,881	\$ 339,023	\$ 318,739	\$ (20,284)	-5.98%
Enterprise Funds (Indirects)						
Directed Funding						
Fees: Town Clerk	\$ 39,504	\$ 52,601	\$ 40,000	\$ 46,100	\$ 6,100	15.25%
Licenses & Permits: Town Clerk	\$ 36,801	\$ 42,250	\$ 38,400	\$ 37,300	\$ (1,100)	-2.86%
Total 8500 Town Clerk	\$ 375,371	\$ 372,732	\$ 417,423	\$ 402,139	\$ (15,284)	-3.66%

Appropriation Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 282,846	\$ 282,796	\$ 310,123	\$ 299,789	\$ (10,334)	-3.33%
Expenses	\$ 92,525	\$ 89,936	\$ 107,300	\$ 102,350	\$ (4,950)	-4.61%
Total 8500 Town Clerk	\$ 375,371	\$ 372,732	\$ 417,423	\$ 402,139	\$ (15,284)	-3.66%

Program Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8510 Town Clerk Administration	\$ 239,067	\$ 241,110	\$ 255,229	\$ 260,453	\$ 5,224	2.05%
Total 8520 Board of Registrars	\$ 12,009	\$ 13,782	\$ 17,525	\$ 19,325	\$ 1,800	10.27%
Total 8530 Elections	\$ 81,483	\$ 85,233	\$ 105,514	\$ 82,250	\$ (23,264)	-22.05%
Total 8540 Records Management	\$ 42,812	\$ 32,607	\$ 39,155	\$ 40,110	\$ 956	2.44%
Total 8500 Town Clerk	\$ 375,371	\$ 372,732	\$ 417,423	\$ 402,139	\$ (15,284)	-3.66%

Object Code Summary	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 280,737	\$ 280,927	\$ 306,909	\$ 297,289	\$ (9,620)	-3.13%
Overtime	\$ 2,109	\$ 1,869	\$ 3,214	\$ 2,500	\$ (714)	-22.22%
<i>Compensation</i>	\$ 282,846	\$ 282,796	\$ 310,123	\$ 299,789	\$ (10,334)	-3.33%
Contractual Services	\$ 78,405	\$ 79,617	\$ 96,800	\$ 92,300	\$ (4,500)	-4.65%
Utilities	\$ 2,000	\$ 1,440	\$ 2,000	\$ 2,000	\$ -	0.00%
Supplies	\$ 12,120	\$ 8,354	\$ 8,300	\$ 7,850	\$ (450)	-5.42%
Small Capital	\$ -	\$ 525	\$ 200	\$ 200	\$ -	0.00%
<i>Expenses</i>	\$ 92,525	\$ 89,936	\$ 107,300	\$ 102,350	\$ (4,950)	-4.61%
Total 8500 Town Clerk	\$ 375,371	\$ 372,732	\$ 417,423	\$ 402,139	\$ (15,284)	-3.66%

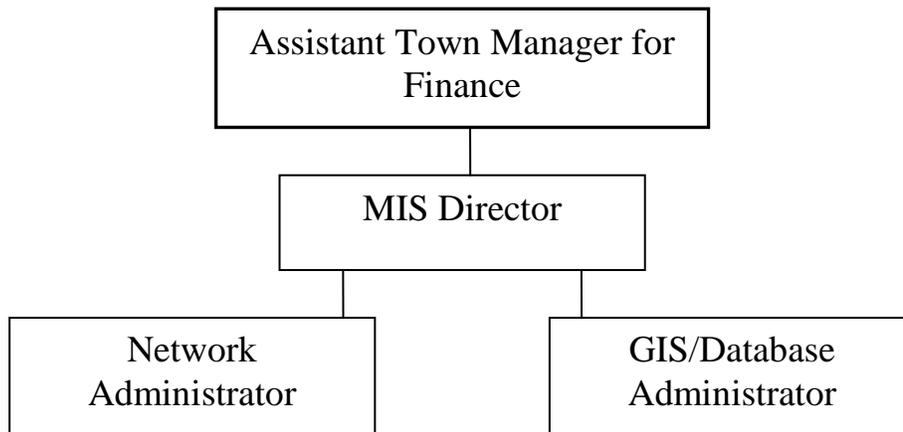
8600 Management Information Systems

Mission: The Management Information Systems Department provides information technology services and resources to all Town staff and supports the accounting/payroll applications along with other core services for both municipal and school departments.

Budget Organization: The Management Information Systems Department (MIS) 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. This includes hardware and software support for all information technology activities in all municipal operations; training of all end users; the maintenance of financial management hardware and software (MUNIS) that serves town and school departments; electronic mail and internet access; support of the Town's web site on the internet and intranet; voice over internet protocol (VoIP) infrastructure and applications; head end management and support; and co-management with School Department IT staff of the Town's metropolitan area network that connects 27 town and school buildings.

Departmental Initiatives:

1. Maintain stable and secure local area and wide area networks.
2. Provide on-going training and support to employees.
3. Maintain continuity of technical services during the Town Hall offices renovation.
4. Create self-service improvements for Town employees and residents.
 - On-line permitting, improved on-line document management and resources
5. Develop GIS-based improvements
 - Meeting new state GIS standards and delivering GIS on-line with improved function and information
6. Reduce technology energy burden via 'green' initiatives.



Authorized/Appropriated Staffing

	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2011 Budget	FY 2012 Requested
Director, Management Information Systems	1	1	1	1	1
Network Administrator	2	2	2	1	1
GIS/Database Administrator	0	0	0	1	1
Total FT/PT	3 FT				
Total FTE	3	3	3	3	3

Explanatory Notes:

During fiscal year 2011 the open Network Administrator position was redefined to be a GIS/Database Administrator and the position was filled.

8600 Management Information Systems**Budget Recommendations:**

The FY2012 recommended budget (all funds) reflects a \$33,507, or 5.69 percent, increase over the FY11 restated budget. This is comprised of a \$1,993 or 0.93 percent, increase in compensation and a \$31,514, or 8.42 percent, increase in expenses.

This recommended budget is a level-service budget. Notable changes in the FY2012 recommended budget include:

1. \$29,950 increase in expenses is due to the increased cost of software maintenance contracts as well as software support costs for newly acquired software applications (including Kronos, VoIP and GIS licensing).
2. \$6,000 decrease in expenses is due to the reduction in the cost of EOL (end-of-life) server replacements by adopting blade server technology.
3. \$6,000 increase for the implementation of a Remote Disaster Recovery Plan.
4. \$6,500 increase in order to make audio-visual Improvements to a Town Office meeting space (to be funded from PEG Access Revolving Fund).

Program Improvement Requests Submitted by Department:

1. \$6,000 for the implementation of a Remote Disaster Recovery Plan.
2. \$6,500 in order to make audio-visual improvements to a Town Office meeting space (to be funded from PEG Access Revolving Fund).

Program Improvement Requests Recommended for Funding:

1. \$6,000 for the implementation of a Remote Disaster Recovery Plan.
2. \$6,500 in order to make audio-visual improvements to a Town Office meeting space (to be funded from PEG Access Revolving Fund).

8600 Management Information Systems

Program: General Government
Town of Lexington, Massachusetts

Budget Summary:

Funding Sources (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Tax Levy	\$ 384,263	\$ 436,045	\$ 528,388	\$ 557,347	\$ 28,959	5.48%
Enterprise Funds (Indirects)	\$ 50,250	\$ 50,788	\$ 60,510	\$ 58,558	\$ (1,952)	-3.23%
Directed Funding	\$ -	\$ -	\$ -	\$ -		
PEG Access Revolving Fund	\$ -	\$ -	\$ -	\$ 6,500	\$ 6,500	100.00%
Total 8600 MIS	\$ 434,513	\$ 486,833	\$ 588,898	\$ 622,405	\$ 33,507	5.69%

Appropriation Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 108,928	\$ 150,759	\$ 214,448	\$ 216,441	\$ 1,993	0.93%
Expenses	\$ 325,585	\$ 336,074	\$ 374,450	\$ 405,964	\$ 31,514	8.42%
Total 8600 MIS	\$ 434,513	\$ 486,833	\$ 588,898	\$ 622,405	\$ 33,507	5.69%

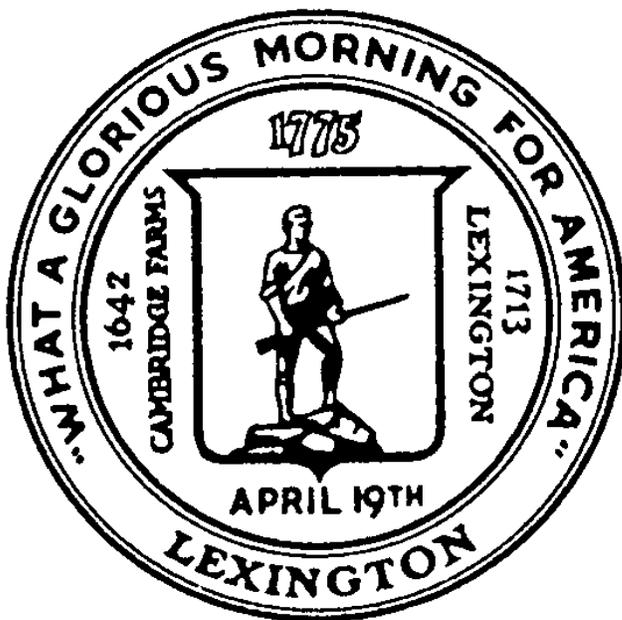
Program Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Total 8610 MIS Administration	\$ 415,036	\$ 479,356	\$ 214,448	\$ 228,941	\$ 14,493	6.76%
Total 8620 Web Development	\$ 19,477	\$ 7,477	\$ 374,450	\$ 393,464	\$ 19,014	5.08%
Total 8600 MIS	\$ 434,513	\$ 486,833	\$ 588,898	\$ 622,405	\$ 33,507	5.69%

Object Code Summary (All Funds)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	\$ 108,928	\$ 150,759	\$ 214,448	\$ 216,441	\$ 1,993	0.93%
Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	100.00%
<i>Compensation</i>	<i>\$ 108,928</i>	<i>\$ 150,759</i>	<i>\$ 214,448</i>	<i>\$ 216,441</i>	<i>\$ 1,993</i>	<i>0.93%</i>
Contractual Services	\$ 226,471	\$ 294,670	\$ 253,150	\$ 294,464	\$ 41,314	16.32%
Utilities	\$ 900	\$ 1,200	\$ 1,800	\$ 2,400	\$ 600	33.33%
Supplies	\$ 5,699	\$ 4,907	\$ 7,000	\$ 5,100	\$ (1,900)	-27.14%
Small Capital	\$ 92,516	\$ 35,297	\$ 112,500	\$ 104,000	\$ (8,500)	-7.56%
<i>Expenses</i>	<i>\$ 325,585</i>	<i>\$ 336,074</i>	<i>\$ 374,450</i>	<i>\$ 405,964</i>	<i>\$ 31,514</i>	<i>8.42%</i>
Total 8600 MIS	\$ 434,513	\$ 486,833	\$ 588,898	\$ 622,405	\$ 33,507	5.69%

Appropriation Summary (General Fund)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Compensation	\$ 108,928	\$ 150,759	\$ 214,448	\$ 216,441	\$ 1,993	0.93%
Expenses	\$ 325,585	\$ 336,074	\$ 374,450	\$ 399,464	\$ 25,014	6.68%
Total 8600 MIS	\$ 434,513	\$ 486,833	\$ 588,898	\$ 615,905	\$ 27,007	4.59%

Appropriations Summary (Non-General Fund)	FY 2009 Actual	FY 2010 Actual	FY2011 Restated	FY2012 Recommended	Dollar Increase	Percent Increase
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Expenses	\$ -	\$ -	\$ -	\$ 6,500	\$ 6,500	100.00%
PEG Access Revolving Fund	\$ -	\$ -	\$ -	\$ 6,500	\$ 6,500	100.00%
Total 8600 MIS	\$ -	\$ -	\$ -	\$ 6,500	\$ 6,500	100.00%

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

For the purposes of the capital planning process, 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 for a single item, or five times this threshold (\$125,000) for a capital project consisting of multiple units costing less than \$25,000 each;
- The expenditure will have a useful life of 10 years or more for buildings or building components and five 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 FY2012 Capital Budget was developed within the capital policy framework initially adopted by the Board of Selectmen in 1991, and subsequently amended 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 even out spikes and make funding needs more predictable. Capital investment requirements can vary, involving unique large projects such as a new fire engine or a new school building. Other capital investment needs are recurring such as the annual program to resurface roadways.

The five-year Capital Improvement Program includes all 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:

- **Available Funds (Cash Capital)** – The Town regularly appropriates monies from the general fund and enterprise funds to finance small capital investment projects. Examples of available funds are free cash and enterprise fund retained earnings.
- **Debt** – The Town has traditionally financed large capital projects with debt. Debt can be appropriated under the General Fund Tax Levy (either within the levy limit or from a voter approved Proposition 2 ½ debt exclusion) or from Enterprise Funds.
- **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 FY12 from the surcharge and state matching funds are estimated at \$4,199,000.

FY 2012 CAPITAL FINANCING STRATEGY

The proposed financing plan for the recommended FY2012 capital budget is shown in the table below.

Capital Requests Summary				
	Free Cash/Tax Levy	Other Financing Sources	Debt	Total
General Fund (a)	\$ 2,382,174	\$ -	6,200,678	\$ 8,582,852
Chapter 90/Other State Funding	\$ -	\$ -	\$ 700,000	\$ 700,000
Water Enterprise	\$ -	\$ 25,000	120,100	\$ 145,100
Sewer Enterprise	\$ -	\$ -	1,300,000	\$ 1,300,000
Recreation Enterprise	\$ -	\$ 165,000	\$ -	\$ 165,000
Compost Revolving Fund	\$ -	\$ 117,000	\$ -	\$ 117,000
Traffic Mitigation Stab. Fund	\$ -	\$ 191,000	\$ -	\$ 191,000
Community Preservation Act	\$ -	\$ 2,340,578	\$ -	\$ 2,340,578
Total (all Funds)	\$ 2,382,174	\$ 2,838,578	\$ 8,320,778	\$13,541,530

(a) Cash/Tax Levy Includes \$846,602 for street resurfacing of which \$565,368 derives from an FY2001 override, and \$165,572 for maintenance of municipal building envelopes which derives from a FY2007 override. These amounts have been increased annually to mirror the statutory growth in the levy limit allowed under Proposition 2 1/2. It is proposed that this 2.5% increase occur on an annual basis.

The table on the next page lists all FY2012 recommended projects 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.

FY 2012 Recommended Capital Budget

Department	Project Description	Recommendation	Requested Funding Source(s)
<i>Community Development</i>	Leary Property Planning Funds	\$ 30,000	CPA
<i>Economic Development</i>	Battle Green Master Plan Implementation	\$ 50,000	CPA
Total Community/Economic Development		\$ 80,000	
<i>Fire</i>	Replacement of Ambulance	\$ 240,000	GF Debt
<i>Fire</i>	Firefighter Protection turnout Gear	\$ 88,000	Free Cash
Total Public Safety		\$ 328,000	
<i>Recreation</i>	Town Pool renovations	\$ 165,000	Recreation Retained Earnings
Total Culture and Recreation		\$ 165,000	
<i>Public Facilities</i>	School Locker Program	\$ 150,000	GF Debt
<i>Public Facilities</i>	LHS Overcrowding-Phase I	\$ 175,000	GF Debt
<i>Public Facilities</i>	Clark Paving Improvements for Pedestrians and Vehicles	\$ 125,000	GF Debt
<i>Public Facilities</i>	LHS Roof Repair (\$998,000)	\$ 659,678	GF Debt
<i>Public Facilities</i>	Hastings Playground Expansion	\$ 75,000	GF Debt
<i>Public Facilities</i>	Repair of Fire Station Floor and Office Renovations	\$ 450,000	GF Debt
<i>Public Facilities</i>	School Building Envelope and Systems	\$ 300,000	Free Cash
<i>Public Facilities</i>	School Building Flooring Program	\$ 50,000	Free Cash
<i>Public Facilities</i>	Municipal Building Envelope and Systems	\$ 165,572	Tax Levy
<i>Public Facilities</i>	Library Material Handling System Design	\$ 100,000	Free Cash
<i>Public Facilities</i>	E. Lexington Fire Equipment Doors Replacement	\$ 60,000	CPA
<i>Public Facilities</i>	School Paving Program	\$ 50,000	Free Cash
<i>Public Facilities</i>	LHS Science Lecture Hall Replacement Seating	\$ 75,000	Free Cash
<i>Public Facilities</i>	Hastings School French Drain	\$ 50,000	Free Cash
<i>Public Facilities</i>	Diamond Modular Extraordinary repair	\$ 75,000	Free Cash
<i>Public Facilities</i>	Public Address (PA) Improvement Gym and Locker Room	\$ 25,000	Free Cash
<i>Public Facilities</i>	Hastings Window Screens	\$ 25,000	Free Cash
<i>Public Facilities</i>	School Window Treatments Extraordinary repairs	\$ 50,000	Free Cash
<i>Public Facilities</i>	Bridge & Bowman Renovation Design	\$ 280,000	GF Debt
<i>Public Facilities</i>	Estabrook School Feasibility	\$ 1,250,000	GF Debt
<i>Public Facilities</i>	Reconfigure & redesign K-5 Curriculum Rooms	\$ 45,000	Free Cash
Total Public Facilities Department		\$ 4,235,250	
<i>Public Works</i>	Dam Repair	\$ 270,000	GF Debt
<i>Public Works</i>	DPW Equipment Replacement	\$ 485,100	GF Debt/Water Debt
<i>Public Works</i>	Storm Drainage Improvements	\$ 500,000	GF Debt
<i>Public Works</i>	Sidewalk Improvement	\$ 200,000	GF Debt
<i>Public Works</i>	Street Betterment Improvements	\$ 200,000	GF Debt
<i>Public Works</i>	Sanitary Sewer System improvements	\$ 1,200,000	Sewer Debt
<i>Public Works</i>	Pumps station upgrades	\$ 100,000	Sewer Debt
<i>Public Works</i>	Hydrant Replacement Program	\$ 50,000	Free Cash/Water RE
<i>Public Works</i>	South Lexington Transportation Master Plan	\$ 125,000	Traffic Mitigation Stab. Fund
<i>Public Works</i>	Street Improvements	\$ 1,546,602	Tax Levy/Chapter 90
<i>Public Works</i>	Battle Green Monument Restoration	\$ 50,000	CPA
<i>Public Works</i>	Culvert replacement	\$ 65,000	Revolving Fund
<i>Public Works</i>	West view Cemetery Irrigation- Phase III	\$ 35,000	Free Cash
<i>Public Works</i>	Comprehensive Watershed Storm water Management	\$ 50,000	Free Cash
<i>Public Works</i>	Town-wide Signalization Improvements	\$ 42,000	Free Cash
<i>Public Works</i>	Waltham Street Pedestrian Safety Improvements	\$ 66,000	Traffic Mitigation Stab. Fund
<i>Public Works</i>	Compost Facility Green Waste Study	\$ 52,000	
<i>Public Works</i>	Park Improvements - Athletic Fields	\$ 50,000	Free Cash
<i>Public Works</i>	Center Playfields Drainage - Phase II	\$ 911,863	CPA
Total Public Works Department		\$ 5,998,565	
<i>Lexington Public Schools</i>	School Technology	\$ 737,000	GF Debt/free cash
<i>Lexington Public Schools</i>	Food Service Equipment	\$ 34,000	GF Debt
<i>Lexington Public Schools</i>	Classroom Furniture	\$ 150,000	GF Debt
Total Lexington Public Schools		\$ 921,000	
<i>Town Clerk</i>	Archives and Records Management/Conservation	\$ 150,000	CPA
<i>MIS</i>	MIS Technology Improvement Program	\$ 165,000	GF Debt
<i>MIS</i>	Town wide Electronic Document Management System	\$ 410,000	GF Debt
Total General Government		\$ 725,000	
<i>Non-Governmental Projects</i>	LexHAB - Set Aside for Housing Acquisition	\$ 450,000	CPA
<i>Non-Governmental Projects</i>	Muzzey Condominium Assoc. - Window Replacement	\$ 273,915	CPA
<i>Non-Governmental Projects</i>	Vynebrooke Village Drainage Improvements	\$ 364,800	CPA
Total Non-Governmental Projects		\$ 1,088,715	
Total FY 2011 Requests - All Funds		\$ 13,541,530	

The following pages include tables that show the recommended FY2012 capital projects by financing source: general fund debt, water fund debt, wastewater fund debt, and cash capital (i.e., current revenue). Each table depicting projects to be funded with debt 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.

FY2012 RECOMMENDED PROJECTS - GENERAL FUND DEBT (Table I)

Town of Lexington - FY 2012 Budget FY 2012 Manager's Recommended Budget: Capital Projects										
TABLE I: FY2012 RECOMMENDED PROJECTS - GENERAL FUND DEBT										
	AMOUNT FINANCED	DEBT SERV. YEARS	EST. BOND INT. RATE	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
MUNICIPAL PROJECTS										
1	Dam Repair	\$ 270,000	5	4.0%		\$ 5,400	\$ 64,800	\$ 62,640	\$ 60,480	\$ 58,320
2	DPW Equipment Replacement (\$485,100)	\$ 365,000	5	4.0%		\$ 7,300	\$ 87,600	\$ 84,680	\$ 81,760	\$ 78,840
3	Storm Drainage Improvements	\$ 500,000	5	4.0%		\$ 10,000	\$ 120,000	\$ 116,000	\$ 112,000	\$ 108,000
4	Sidewalk Improvement	\$ 200,000	5	4.0%		\$ 4,000	\$ 48,000	\$ 46,400	\$ 44,800	\$ 43,200
5	Street Betterment Improvements ¹	\$ 200,000	10	4.0%		\$ 4,000	\$ 28,000	\$ 27,200	\$ 26,400	\$ 25,600
6	Replacement of Ambulance	\$ 240,000	5	4.0%		\$ 4,800	\$ 57,600	\$ 55,680	\$ 53,760	\$ 51,840
7	MIS Technology Improvement Program	\$ 165,000	5	4.0%		\$ 3,300	\$ 39,600	\$ 38,280	\$ 36,960	\$ 35,640
8	Town wide Electronic Document Management System	\$ 410,000	5	4.0%		\$ 2,100	\$ 31,300	\$ 97,560	\$ 94,280	\$ 91,000
	Subtotal	\$ 2,350,000								
FACILITIES PROJECTS										
9	School Locker Program	\$ 150,000	5	4.0%		\$ 3,000	\$ 36,000	\$ 34,800	\$ 33,600	\$ 32,400
10	LHS Overcrowding-Phase I	\$ 175,000	5	4.0%		\$ 3,500	\$ 42,000	\$ 40,600	\$ 39,200	\$ 37,800
11	Clark Paving Improvements for Pedestrians and Vehicles	\$ 125,000	5	4.0%		\$ 2,500	\$ 30,000	\$ 29,000	\$ 28,000	\$ 27,000
12	LHS Roof Repair (\$998,000)	\$ 659,678	10	4.0%		\$ 13,194	\$ 92,355	\$ 89,716	\$ 87,077	\$ 84,439
13	Hastings Playground Expansion	\$ 75,000	5	4.0%		\$ 1,500	\$ 18,000	\$ 17,400	\$ 16,800	\$ 16,200
14	Repair of Fire Station Floor and Temporary Administrative Offices	\$ 450,000	10	4.0%		\$ 9,000	\$ 63,000	\$ 61,200	\$ 59,400	\$ 57,600
	Subtotal	\$ 1,634,678								
SCHOOL PROJECTS										
15	School Technology (\$737,000)	\$ 502,000	5	4.0%		\$ 10,040	\$ 120,480	\$ 116,464	\$ 112,448	\$ 108,432
16	Food Service Equipment	\$ 34,000	5	4.0%		\$ 680	\$ 8,160	\$ 7,888	\$ 7,616	\$ 7,344
17	Classroom Furniture	\$ 150,000	5	4.0%		\$ 3,000	\$ 36,000	\$ 34,800	\$ 33,600	\$ 32,400
	Subtotal	\$ 686,000				\$ 87,314	\$ 922,895	\$ 960,308	\$ 928,181	\$ 896,055
Candidates for Debt Exclusion										
18	Bridge & Bowman Renovation Design ²	\$ 280,000	20	4.0%			\$ 5,600	\$ 25,200	\$ 24,640	\$ 24,080
19	Estabrook School Feasibility ²	\$ 1,250,000	20	4.0%			\$ 25,000	\$ 112,500	\$ 110,000	\$ 107,500
	Subtotal	\$ 1,530,000				\$ -	\$ 30,600	\$ 137,700	\$ 134,640	\$ 131,580
	TOTAL LEVY SUPPORTED GROSS DEBT SERVICE	\$ 6,200,678				\$ 87,314	\$ 953,495	\$ 1,098,008	\$ 1,062,821	\$ 1,027,635
AUTHORIZED LEVY SUPPORTED DEBT SERVICE				FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
A	Subtotal - Approved and Issued Levy Supported Debt Service				\$ 4,750,789	\$ 4,123,384	\$ 3,335,688	\$ 2,455,329	\$ 1,846,878	
B	Subtotal - Estimated Debt Service - Approved and Unissued Levy Supported Debt Service (short and long-term debt)				\$ 32,830	\$ 459,440	\$ 459,448	\$ 444,576	\$ 429,704	
C	Summary - Debt Service on authorized debt				\$ 4,783,619	\$ 4,582,824	\$ 3,795,136	\$ 2,899,905	\$ 2,276,582	
D	Subtotal - Projected New Levy Supported Net Debt Service				\$ 87,314	\$ 953,495	\$ 1,098,008	\$ 1,062,821	\$ 1,027,635	
E	Subtotal - Other Debt-related costs				\$ 131,178	\$ 135,113	\$ 139,170	\$ 143,350	\$ 147,660	
F	TOTAL - PROJECTED LEVY SUPPORTED DEBT SERVICE				\$ 4,669,173	\$ 5,002,110	\$ 5,671,432	\$ 5,032,314	\$ 4,106,076	
	PROJECTED LEVY SUPPORTED DEBT SERVICE NET OF CANDIDATES FOR DEBT EXCLUSIONS				\$ 4,669,173	\$ 5,002,110	\$ 5,640,832	\$ 4,894,614	\$ 3,320,297	

¹Debt Service for this project will be financed through a street betterment levied against homeowners who abut the street to be repaired.

332,937
7.13%

²These projects are candidates for financing as exempt debt. It is assumed that bond anticipation notes to finance work proposed will come due in FY2013. It is anticipated that the projects will be the subject of debt exclusion votes, which, if successful, will exclude debt service costs from the limits of Proposition 2 1/2.

Municipal Projects

Dam Repair - \$270,000: The March 2010 flooding events magnified some serious deficiencies of the Butterfield Dam inlet and outlet control structures. There is sufficient concern about these deficiencies to prompt this concurrent request for design and construction funding so that these deficiencies can be addressed in the upcoming construction season. The town has a responsibility to maintain the structural integrity of this dam and to report the conditions to the Massachusetts Department of Dam Safety.

DPW Equipment Replacement - \$365,000 (total equipment replacement cost is \$485,100 of which \$365,000 is proposed to be financed from general fund debt and \$120,100 from water fund debt): This is an annual request to replace equipment that is beyond its useful life and whose mechanical condition no longer meets the work requirements. The Department of Public Works 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. FY12 requests are for a tractor with snow blower & mower, a 6-wheel dump truck with plow, a slice seeder, an aerator, a mower with collection system, a utility cart with attachments, and a street sweeper. The piece of equipment to be funded from water department debt is the 6-wheel dump truck which will support water department operations.

Storm Drainage Improvements - \$500,000: Pre-emptive repair of existing drainage structures will reduce damage to the structures themselves, to existing pavement and to public and private property. Recent history has shown that most roadway related construction activity uncovers drainage structures that are in need of repair. \$450,000 of this request will be used to repair/replace drainage structures encountered during the road resurfacing program as well as repair other drainage areas of concern in town. Specifically, it is estimated that \$290,000 will be for extensive drain work as part of the reconstruction of Shade Street. Another \$160,000 is requested for other drain work throughout town. The remaining \$50,000 is requested for activities that include detecting and eliminating illicit discharge sources, monitoring outfalls and other mandated activities in order to comply with the new Phase II Stormwater regulations.

Sidewalk Improvement - \$200,000: This is an annual request to rebuild and/or repave existing asphalt sidewalks that are deteriorated and to construct new sidewalks with bituminous and granite or asphalt curbing. Sidewalk improvements will support and enhance pedestrian safety and the Safe Routes to School Program. Sidewalk projects will be chosen from the Sidewalk Committee's master plan and all work will be ADA compliant.

Street Betterment Improvements - \$200,000: The Department of Public Works has received one petition from residents of Frances Road for street improvements to bring it up to Town standards. The estimated cost of the improvement, which includes the repair of the roadway and the installation of proper drainage, is \$200,000. Given that these improvements will directly benefit the abutters, it is proposed that they be assessed a betterment charge to cover the cost to bring the street up to Town standards. Upon completion of repairs, the road will become part of the town network for maintenance.

Replacement of Ambulance - \$240,000: The Lexington Fire Department has 3 ambulances in its fleet. The two newest vehicles are the primary responders. The third vehicle (the oldest vehicle) serves as a backup for the two primary vehicles in the event one goes down for repairs. This proposal will replace the oldest of the three which is a 2002 model, and will have over 120,000 miles at the time of replacement. One of the two primaries will be relegated to serve as the backup vehicle.

MIS Technology Improvement Program - \$165,000: Last year, when submitting the request for Town Hall Server Room Improvements, MIS identified needs for future year's technology improvements. This request is for the first of two phases to implement those previously described improvements. The FY12 project will pursue technical consolidation and energy savings with the purchase and installation of SAN and blade server technology. This will allow for the migration of the stand alone server technology to an energy and space efficient server infrastructure. Additionally, the introduction of blade servers reduces demands on systems support personnel through centralization, and reduces replacement server costs in the operating budget as blade servers are approximately half the cost of standalone servers. The next phase is expected to continue with additional virtualization for additional energy and support savings.

Town-wide Electronic Document Management Program - \$410,000: This request is being submitted on behalf of municipal and school departments. The Laserfiche document management system was purchased approximately 3 years ago and implemented as a municipal records repository. Municipal departments, now in a joint effort with the School Department, seek to expand both the capability and capacity of Laserfiche to include additional documents and expand archive storage. The request includes upgrading to the Enterprise version of Laserfiche, the purchase of additional modules to add functionality to the system, replacement of the server, and scanning of documents to populate the school database.

Public Facilities Projects

School Locker Replacement Program - \$150,000: Student and athletic lockers provide a safe and secure means for students to protect their personal belongings while in school. Due to constant use they are subject to wear and tear. This project will replace student lockers at Clarke Middle School that cannot be repaired because replacement parts are no longer available. These lockers are the original lockers from the last school construction project. Once replaced, they will be maintained through the Public Facilities annual operating budget.

Lexington High School (LHS) Overcrowding Phase I - \$175,000: This project is the first in a series of small construction projects to improve space utilization at LHS and reduce overcrowding, where feasible. The preK - 12 Master Plan identified overcrowding at LHS as an issue that affects student and faculty programs. The plan suggested co-locating the Arts staff on the second floor of the main building to be near the Arts programs. The space adjacent to the Black Box Theater is currently underutilized and can be modified to include offices for the Department Heads and administrator. The move will also create space so the Deans' office suite can better respond to student needs.

Clarke Paving Improvements for Pedestrian & Vehicular Traffic - \$125,000: This project consists of two projects to improve pedestrian safety. A sidewalk will be installed from the Clarke pedestrian bridge over Clematis Brook to Brookside Avenue to provide a safe walkway for students and an alternative from cutting across the parking lot. In addition, the parking lot by the tennis courts will be relocated to increase the turning radius for buses. During student drop off and pick up times, the school buses and parent vehicles can become congested navigating the parking lot from Brookside to the school as the turning radius is not sufficient for buses to stay inside the traffic lane. This plan was determined to be the best of the options considered, and has been reviewed by the Sidewalk Committee, Conservation Commission, Public Facilities, DPW, the bus company, and the Clarke administration.

Lexington High School Roof Repair - \$998,000: The request is to replace approximately 66,000 square feet of roofing at Lexington High School. This replacement is being completed with support from the Massachusetts School Building Authority (MSBA) under the Green Repair Program. The MSBA has committed to funding 33.9% of the total cost of this project, with Lexington funding the remaining balance, which is estimated to be approximately \$660,000.

Hastings Playground Expansion - \$75,000: This request is to expand the Hastings School playground to include playground equipment suitable for grades 3-5. The existing playground does not accommodate differences in the older students' physical size and ability, cognitive and social skills, or curriculum needs.

Repair of Fire Station Floor - \$450,000: This request is to implement a temporary repair of the Fire Headquarters floor slab. An engineering analysis identified that the failing apparatus room floor slab requires extensive shoring to extend its useful life.

School Projects

School Technology - \$502,000 (\$737,000 is the total request of which \$502,000 is to be funded with general fund debt and \$235,000 with free cash): This request supports the Lexington Public School's Strategic Goal of enhancing the capacity to utilize technology as an instructional and administrative tool. Funding is requested for:

- replacement of the oldest desktop and laptop computers;
- increasing the number of student workstations at the High School and the two middle schools to get closer to the state average number of computers available for student use;
- replacement of printers and peripherals;
- maintaining and updating the head end equipment for local area networks and servers in the elementary schools;
- installing a managed wireless network that can control up to 50 access points in both the Diamond and Clarke Middle Schools; and
- providing additional classroom computer projectors and document readers.

More than half of the requested funds will be used to replace computers that will be 6 years old. Our oldest computers cannot run current versions of instructional software and have difficulty acquiring needed networking resources. The middle school wireless networks represent Phase 2 of a 3-phase project; the high school was Phase 1 and the five elementary schools that are not wireless will be Phase 3. Document readers were introduced into the school system last year, and teachers have found them to be extremely important at all grade levels to carry out class instructional activities.

Food Service Equipment - \$34,000 (\$64,000 is the total request of which \$34,000 is to be funded with general fund debt and \$30,000 from the School Food Service Revolving Fund): This request is for the replacement of four of six ovens, one steamer, and one mixer in the Lexington High School kitchen. The quantity of food served from the High School has grown steadily over the last few years resulting in the need to replace the current ovens and purchase two additional ovens to address safety concerns and implement efficient cooking strategies to meet demand. Four of the six ovens have open pilots and occasionally the pilots have gone out creating a dangerous natural gas situation in the kitchen area. Last year, the gas company declared one roasting oven unserviceable and resulted in the oven being shut off. The Public Facilities Department agrees replacement is justified as the ovens have required regular repair over the last few years. The Food Service Program has already replaced two of the six ovens this past January out of program funds due to failure and inoperability of the remaining four.

In January, the steamer at the High School failed resulting in menu modifications until a replacement is purchased. The current industrial grade mixer has exceeded its useful life due to its daily use to shred 75 pounds a week of government cheese delivered in large blocks. Of particular concern is the lack of a safety guard. Due to the age of the machine, no safety guard is available.

It is the obligation of the school district to provide working commercial kitchens to our food service program. This is the first year in which the School Lunch Revolving Fund has been able

to financially support the replacement of equipment of such significance. In addition to this request, the program has supported \$20,000 in emergency repairs or replacements of kitchen equipment this current school year. In the past, these types of repairs and replacements would have been a transfer request to the School Committee or a larger capital request to Town Meeting.

Classroom Furniture - \$150,000: Many buildings have not been renovated and need to have classroom furnishings replaced. The schools need cafeteria tables, desks, age appropriate chairs, and teacher desks and chairs, filing cabinets, whiteboards, swing and fitness center equipment as well as funds to dispose of the old furniture. for district. This is an annual request for replacement of furniture that has reached the end of its useful life.

Projects that are Candidates for Debt Exclusion Funding

Bridge and Bowman Renovation Design Scope Addition - \$280,000: The schematic design phase of the Bridge and Bowman Renovation Project yielded options to further enhance the useful life of the two schools. This request is for additional design funds to add interior architectural modifications that will result in security enhancements, small meeting spaces, and four additional classrooms in each school. Additional enhancements to building systems will result in educational spaces with improved learning environments, improved lighting, quieter ventilation, and humidity reduction. These improvements support program and educational needs of the two elementary schools with the largest student population. This increased scope increases estimated project cost to \$19.4 million from an earlier estimate of \$13.7 million.

Estabrook School Feasibility and Second Access - \$1,250,000: An Emergency Statement of Interest (SOI) has been submitted to the Massachusetts School Building Authority (MSBA) to determine if the replacement of the Estabrook School qualifies for support from MSBA. Due to the recent discovery of polychlorinated biphenyls (PCB's) at the Estabrook School, the replacement of the school has been prioritized. This request will fund the Feasibility Study phase of the MSBA process (\$1,050,000) should the MSBA participate in the project. In addition to the Feasibility Study, this capital request seeks funds (\$200,000) for right-of-way modifications and upgrading of Robinson Road, which is identified in the LPS PreK - 12 Master Plan as a recommended second access should the Estabrook School be replaced.

FY2012 RECOMMENDED PROJECTS - WATER FUND DEBT (Table II)



TABLE II: FY2012 RECOMMENDED PROJECTS - WATER DEBT										
PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	ESTIMATED INT. RATE	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
1 Equipment Replacement	\$ 120,100	5	4.0%		\$ 2,402	\$ 28,824	\$ 27,863	\$ 26,902	\$ 25,942	
TOTAL	\$ 120,100				\$ 2,402	\$ 28,824	\$ 27,863	\$ 26,902	\$ 25,942	
AUTHORIZED WATER DEBT SERVICE				FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
A	Subtotal: Authorized and Issued Water Debt Service				\$ 1,161,228	\$ 952,666	\$ 698,359	\$ 649,912	\$ 457,871	
B	Subtotal - Estimated Debt Service - Approved and Unissued Water Debt Service (short and long-term debt)				\$ 30,276	\$ 185,997	\$ 308,617	\$ 425,597	\$ 568,959	
C	Summary: Debt Service on Authorized Debt				\$ 1,191,503	\$ 1,138,663	\$ 1,006,976	\$ 1,075,509	\$ 1,026,830	
D	Subtotal: Projected Debt Service on Proposed Capital Projects				\$ 2,402	\$ 28,824	\$ 27,863	\$ 26,902	\$ 25,942	
E	Subtotal - Other Debt-related costs				\$ 9,000	\$ 9,315	\$ 9,641	\$ 9,978	\$ 10,328	
F	TOTAL PROJECTED WATER DEBT SERVICE				\$ 1,193,333	\$ 1,202,905	\$ 1,176,802	\$ 1,044,480	\$ 1,112,390	\$ 1,063,099

Equipment Replacement - \$120,100: (See detailed narrative in General Fund project section.) DPW maintains a systematic replacement program that identifies what equipment is expected to need replacement during the next five years, with the intent of preventing any unexpected emergency purchases. FY2012 funding is requested for a 6-wheel heavy duty dump truck to be used by the Water Department.

FY2012 RECOMMENDED PROJECTS - WASTEWATER FUND DEBT (Table III)



Town of Lexington - FY 2012 Budget

Table III: FY 2012 Manager's Recommended Budget: Capital Projects

TABLE III: FY2012 RECOMMENDED PROJECTS - WASTEWATER DEBT										
PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	ESTIMATED INT. RATE	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
1 Wastewater System Improvements	\$1,200,000	10	4.0%		\$ 24,000	\$ 168,000	\$ 163,200	\$ 158,400	\$ 153,600	
2 Pump Station Upgrades	<u>\$100,000</u>	10	4.0%		\$ 2,000	\$ 14,000	\$ 13,600	\$ 13,200	\$ 12,800	
TOTAL	1,300,000				\$ 26,000	\$ 182,000	\$ 176,800	\$ 171,600	\$ 166,400	
AUTHORIZED SEWER DEBT SERV.				FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
A Subtotal: Authorized and Issued Sewer Debt Service					\$ 639,938	\$ 479,040	\$ 415,755	\$ 381,951	\$ 306,132	
B Subtotal - Estimated Debt Service - Approved and Unissued Sewer Debt Service (short and long-term debt)					\$ 7,285	\$ 245,261	\$ 280,254	\$ 272,046	\$ 263,839	
C Summary: Debt Service on Authorized Debt					\$ 647,223	\$ 724,301	\$ 696,009	\$ 653,997	\$ 569,971	
D Subtotal: Projected Debt Service on Proposed Capital Projects					\$ 26,000	\$ 182,000	\$ 176,800	\$ 171,600	\$ 166,400	
E Subtotal - Other Debt-related costs					\$ 10,000	\$ 10,350	\$ 10,712	\$ 11,087	\$ 11,475	
F TOTAL PROJECTED SEWER DEBT SERVICE				\$ 651,446	\$ 683,223	\$ 916,651	\$ 883,521	\$ 836,684	\$ 747,846	

Wastewater System Improvements - \$1,200,000: This is an annual request for rehabilitation of sanitary sewer infrastructure. Engineering investigation and evaluation will be done on sewers in remote, inaccessible areas, such as along brook channels where poor soil conditions lead to storm water infiltration. Work will include replacement or repair of deteriorated sewers and manholes in easements. Sewage leaks and overflows present a direct danger to the health of the community through transmission of waterborne diseases. In addition, the Town's assessment by the MWRA for sewage treatment is based on total flow through the meter at the Arlington town line, so excessive flow of stormwater in the sewer results in unnecessarily higher sewage bills. Projects may be eligible for MWRA grant loan program funding if additional funding is made available. Requested funds will be for improvements to the Saddle Club Road and Parker Street areas and adjacent "sewer sheds".

Pump Station Upgrades - \$100,000: Lexington has ten sewer pumping stations valued at over \$6 million. This request is the fourth of a five-year program for upgrades of the stations including bringing them in compliance with federal (OSHA) regulations, and equipment replacement. The pump stations are evaluated every year to ensure they are operating within design parameters. As the system ages, motors and valves need to be replaced and entryways need to be brought up to current OSHA Standards. Pump failure results in sewer surcharging and overflows, which create a public health risk and environmental damage.

FY2012 RECOMMENDED PROJECTS – RECREATION FUND DEBT (Table IV)

Town of Lexington - FY 2012 Budget FY 2012 Manager's Recommended Budget: Capital Projects										
TABLE IV: FY2012 RECOMMENDED PROJECTS - RECREATION DEBT										
PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	ESTIMATED INT. RATE	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
None Proposed	\$ -	5	4.0%		\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL	\$ -				\$ -					
AUTHORIZED REVENUE SUPPORTED DEBT SERV.				FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
A	Subtotal	Approved and Issued Revenue Supported Debt Service			\$ 131,500	\$ 130,600	\$ 100,000	\$ 100,000	\$ 100,000	
B	Subtotal	Approved and Unissued Revenue Supported Debt Service			\$ -	\$ -	\$ -	\$ -	\$ -	
C	Summary Approved Revenue Supported Debt Service				\$ 131,500	\$ 130,600	\$ 100,000	\$ 100,000	\$ 100,000	
D	Subtotal	Projected Debt Service on Proposed Capital Projects			\$ -	\$ -	\$ -	\$ -	\$ -	
E	Other Debt-related costs				\$ -	\$ -	\$ -	\$ -	\$ -	
F	TOTAL PROJECTED DEBT SERVICE				\$ 137,200	\$ 131,500	\$ 130,600	\$ 100,000	\$ 100,000	

No recommendations are being made for debt financing of recreation enterprise fund projects.

FY2012 RECOMMENDED PROJECTS – FUNDING THROUGH PROPOSITION 2 ½ DEBT EXCLUSION (Table V)

Town of Lexington - FY 2012 Budget FY 2012 Manager's Recommended Budget: Capital Projects										
TABLE V: FY2012 RECOMMENDED PROJECTS - FUNDING THROUGH PROPOSITION 2 1/2 DEBT EXCLUSION										
PROJECT	AMOUNT FINANCED	DEBT SERV. YEARS	EST. BOND INT. RATE	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
1	Bridge & Bowman Renovation Design	\$ 280,000	20	4.00%		\$ -	\$ 5,600	\$ 25,200	\$ 24,640	\$ 24,080
2	Estabrook School Feasibility	\$ 1,250,000	20	4.00%		\$ -	\$ 25,000	\$ 112,500	\$ 110,000	\$ 107,500
	PROJ. NEW EXCLUDED DEBT SERVICE	\$ 1,530,000				\$ -	\$ 25,000	\$ 112,500	\$ 110,000	\$ 131,580
APPROVED AND PROPOSED EXCLUDED DEBT SERVICE				FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	
Subtotal	Approved and Issued Excluded Supported Debt Service				5,666,223	4,789,328	4,658,149	4,317,518	4,180,854	
Subtotal	Approved and Unissued Excluded Debt Service				36,250	35,125	34,000	32,875	31,750	
TOTAL	Approved Excluded Debt Service				5,702,473	4,824,453	4,692,149	4,350,393	4,212,604	
Subtotal	Proposed Excluded Debt Service				\$ -	\$ 25,000	\$ 112,500	\$ 110,000	\$ 131,580	
TOTAL	APPROVED AND PROPOSED EXCLUDED DEBT SERVICE				5,753,550	5,702,473	4,849,453	4,804,649	4,460,393	4,344,184

The projects above are described under Table I, General Fund debt. If a debt exclusion for these projects is successful, the debt service for project costs will be excluded from the limits of Proposition 2 ½.

FY2012 RECOMMENDED PROJECTS – CASH CAPITAL (Table VI)



Town of Lexington - FY 2011 Budget
 FY 2012 Manager's Recommended Budget: Capital Projects

TABLE VI: FY2012 RECOMMENDED FUNDING FROM REVENUES (Cash by Source)									
PROJECT	Free Cash	Tax Levy	Water Retained Earnings	Recreation Retained Earnings	Revolving Fund	CPA ¹	Other Funding ²	TOTAL COST	
SCHOOL PROJECTS									
1 Technology Capital Request (\$737,000)	\$ 235,000								\$ 235,000
SUBTOTAL	\$ 235,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,000
FACILITIES									
1 School Building Envelope and Systems	\$ 300,000								\$ 300,000
2 School Building Flooring Program	\$ 50,000								\$ 50,000
3 Municipal Building Envelope and Systems	\$ -	\$ 165,572							\$ 165,572
4 E. Lexington Fire Equipment Doors Replacement						\$ 60,000			\$ 60,000
5 School Paving Program	\$ 50,000								\$ 50,000
6 LHS Science Lecture Hall Replacement Seating	\$ 75,000								\$ 75,000
7 Hastings School French Drain	\$ 50,000								\$ 50,000
8 Diamond Modular Extraordinary Repair	\$ 75,000								\$ 75,000
9 Public Address (PA) Improvement Gym and Locker Room	\$ 25,000								\$ 25,000
10 Hastings Window Screens	\$ 25,000								\$ 25,000
11 School Window Treatments Extraordinary Repairs	\$ 50,000								\$ 50,000
12 Reconfigure & redesign K-5 Curriculum Rooms	\$ 45,000								\$ 45,000
13 Library Material Handling System Design	\$ 100,000								\$ 100,000
SUBTOTAL	\$ 845,000	\$ 165,572	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	\$ 1,070,572
MUNICIPAL PROJECTS									
1 Hydrant Replacement Program	\$ 25,000		\$ 25,000						\$ 50,000
2 South Lexington Transportation Master Plan							\$ 125,000		\$ 125,000
3 Street Improvements		\$ 846,602					\$ 700,000		\$ 1,546,602
4 Battle Green Monument Restoration						\$ 50,000			\$ 50,000
5 Culvert replacement					\$ 65,000				\$ 65,000
6 Westview Cemetery Irrigation- Phase III	\$ 35,000								\$ 35,000
7 Comprehensive Watershed Storm water Management	\$ 50,000								\$ 50,000
8 Town-wide Signalization Improvements	\$ 42,000								\$ 42,000
9 Waltham Street Pedestrian Safety Improvements							\$ 66,000		\$ 66,000
10 Compost Facility Green Waste Study					\$ 52,000				\$ 52,000
11 Park Improvements - Athletic Fields	\$ 50,000								\$ 50,000
12 Center Playfields Drainage - Phase II						\$ 911,863			\$ 911,863
13 Town Pool Renovations			\$ 165,000						\$ 165,000
14 Firefighter Protection Turnout Gear	\$ 88,000								\$ 88,000
15 Leary Property Planning Funds						\$ 30,000			\$ 30,000
16 Archives and Records Management/Conservation						\$ 150,000			\$ 150,000
17 Battle Green Master Plan Implementation						\$ 50,000			\$ 50,000
SUBTOTAL	\$ 290,000	\$ 846,602	\$ 25,000	\$ 165,000	\$ 117,000	\$ 1,191,863	\$ 891,000	\$ -	\$ 3,526,465
OTHER CPA FUNDED PROJECTS									
1 LexHAB - Set Aside for Housing Acquisition						\$ 450,000			\$ 450,000
2 Muzzey Condo Assoc. - Window Replacement						\$ 273,915			\$ 273,915
3 Vynebrooke Village Drainage Improvements						\$ 364,800			\$ 364,800
SUBTOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,088,715	\$ -	\$ -	\$ 1,088,715
TOTAL	\$ 1,370,000	\$ 1,012,174	\$ 25,000	\$ 165,000	\$ 117,000	\$ 2,340,578	\$ 891,000	\$ -	\$ 5,920,752

¹ CPA totals do not include proposed FY2012 administrative budget of \$150,000 or the FY2012 debt service payment for the Busa and Cotton Farm properties.

² Proposed funding for South Lexington Transportation Master Plan and Waltham Street Pedestrian Safety Improvements is the Traffic Mitigation Stabilization Fund. Proposed Funding for the Street Improvements project is \$846,602 from the tax levy of which \$565,368 derives from an FY2001 override and \$700,000 in Chapter 90 funding.

School Projects

Technology Capital Request - \$235,000 (free cash): (See detailed narrative in General Fund project section.) This request is being funded through a combination of debt and cash financing. This represents the cash portion whose source is free cash.

Department of Public Facilities Projects

School Building Envelope and Systems - \$300,000 (free cash): This project involves performing annual prioritized design, repairs and modifications to prevent deterioration of school building exteriors and building systems. Proper maintenance of school buildings requires continual investment in the building envelope and building systems. This includes repair of damaged panels and siding, re-caulking and weatherproofing windows and doors, and repainting the wood exterior. Small, individual items such as failure of a specific door or window or small painting projects will continue to be funded through the operating budget. FY 2012 priorities may include replacing LHS fascia, main entrance doorways, and Science Building entrance. Funding will also be used for ad hoc modifications to school educational spaces district-wide to accommodate enrollment changes.

School Building Flooring Program - \$50,000 (free cash): This project will replace carpet, vinyl tile, and ceramic tile flooring systems that have failed or are beyond their useful life and exceed \$25,000 in cost. Flooring systems must be replaced periodically to insure the surfaces are safe and cleanable. Worn or broken flooring creates a tripping hazard, can provide harborage for bacteria and water, and is difficult to clean. Smaller repairs of flooring components are funded through the operating budget.

Municipal Building Envelope and Systems - \$165,572 (tax levy): This ongoing capital request includes design and construction repair/replacement projects for the maintenance and upgrade of municipal buildings and systems. Repairs to roofs, windows, mechanical and electrical systems, and interior finishes are required on a continual basis to maintain town facilities for their intended function. The public building infrastructure will always need to be maintained, repaired, and upgraded to prevent structural deterioration and avoid safety hazards. The projects within this program do not increase the size of the public building stock and therefore do not result in increased utility usage or maintenance costs.

East Lexington Fire Equipment Doors Replacement - \$60,000 (CPA funds): The door openings at the East Lexington Fire Station need to be enlarged to improve fire operations. Today's larger fire vehicles have a close tolerance to the door openings, and the potential exists for damage to the building and equipment, or delay in department response to an incident. This is a proactive measure to prevent further damage or interference with department operations. The project will be implemented in two phases. The first phase will be to develop a design that enlarges the door openings in a manner consistent with the historic character of the building and the second phase will be the implementation of the approved modifications.

School Paving Program - \$75,000 (free cash): This project requests funds to maintain school parking and paved pedestrian surfaces in a condition suitable for public use. In the last four years paving improvements have been implemented at Estabrook, Bridge, Bowman and Hastings. The Department of Public Facilities and the Department of Public Works Engineering partner on these projects to utilize the DPW paving bids.

LHS Science Lecture Hall Replacement Seating - \$75,000 (free cash): The LHS Science Lecture Hall seats 290 and is a highly utilized space for the school and the community. This project will replace the wooden, floor mounted seats with riser mounted plastic seats. The wooden seats in the lecture hall are in poor condition, with graffiti and many broken components. The proposed plastic seats are more easily maintained, less prone to graffiti, and will be mounted on the risers instead of the floor to make sweeping more efficient.

Hastings School French Drain - \$50,000 (free cash): During the summer of 2010, Public Facilities implemented exterior improvements to the east elevation of Hastings School to reduce and eliminate water infiltration. The situation has improved, but during heavy rains water is still seeping in at the slab/wall seam. The project will install a french drain along the east perimeter wall to contain and channel ground water to a location where it can be pumped out of the building.

Diamond Modular Extraordinary Repair - \$75,000 (free cash): The portable classrooms are worn and battered, both inside and out, after more than 10 years of use. The exterior sheathing is buckling and delaminating. The interiors show signs of age in doors that do not lock properly, buckling flooring in bathrooms, and loose hallway trim and molding. As every available classroom space is currently scheduled at Diamond, the portables need to be maintained as viable classrooms.

Public Address Improvement Gym & Locker Rooms - \$25,000 (free cash): The speaker system that serves the Diamond School gym, exercise room and locker rooms will be upgraded. The system was installed around 1956 and does not project sound well. Students and staff often do not hear announcements. Emergency calls and essential communications are of critical importance. In addition, many athletic events and school gatherings are held in the gym and clear sound is desirable.

Hastings Window Screens - \$25,000 (free cash): This request is to purchase window screens for classrooms and library windows at Hastings School. The temperatures in these classrooms can be above 94 degrees in the spring and fall, so classrooms windows are opened. Screens are needed as a barrier to insects that could cause health and safety problems for students and staff.

School Window Treatments Extraordinary Repair - \$50,000 (free cash): The majority of Lexington's school buildings have inoperable horizontal blinds that were installed when the buildings were constructed. This project will replace these window treatments with low maintenance solar shades to increase energy efficiency, control sun glare, and improve overall lighting control in the educational space.

Reconfigure & Redesign K-5 Curriculum Rooms 3, 4, & 5 at Central Office - \$45,000 (free cash): This project will reconfigure rooms at the Central Office that are used by K-5 curriculum coordinators, program leaders and department heads. Funds are needed to purchase and install shelving and office furniture, install air conditioners and telephones, and move materials so that resources are located and organized appropriately for ease of use and accessibility. These changes will allow the Math, Literacy, Science, and Social Studies program staff to make efficiencies in their individual programming needs.

Library Material Handling System Design - \$100,000 (free cash): At the 2010 annual town meeting, \$25,000 was appropriated for an engineering study of how to reorganize the Library's Circulation and Bibliographic Services workspace with the potential for automating bin sorting and processing. The current configuration is not designed to handle the volume of material that flows through the library daily. Library circulation increased 14% in FY09, from 668,313 to 762,718. In FY10 it increased an additional 5%. Increased circulation creates an overflow of items that are returned through the exterior book drops and via Network Transfer Bins. Each day, 15-25 bins are delivered to the Circulation Department work area via a public elevator. Reorganization would improve the ergonomic and efficient handling of materials so that library users have faster access to items. There are also health and safety concerns for the employees who work in a location that is not ergonomically designed for warehouse-type work.

Though the engineering study has yet to be completed, design funds are being requested for funding at the 2011 annual town meeting. Postponement of this request until completion of the engineering study, which is anticipated late spring, would result in the loss of one year in moving this project forward. With design funding in hand, a firm estimate of construction/installation costs can be obtained and will be submitted for funding at the 2012 annual town meeting.

Municipal Projects

Hydrant Replacement Program - \$50,000 (water retained earnings (\$25,000) and free cash (\$25,000)): There are 1,500 hydrants in Lexington's fire protection system. This is the fifth request in a phased project to replace older fire hydrants with new and more efficient

hydrants that meet NFPA requirements. The new hydrants will increase fire fighting capacity thus reducing property damage and increasing safety. The new hydrant will be of a break-away design which will cost less to replace when damaged. \$50,000 will fund approximately 25 replacements.

South Lexington Transportation Master Plan - \$125,000 (Traffic Mitigation Stabilization Fund): The Transportation Master Plan for South Lexington will provide long-term guidance on safety improvements and strategies for the area and improve alternative modes of transportation. This plan was part of the traffic mitigation agreements for Patriot Partners, Cubist and Ledgemont CD rezonings.

Street Improvements - \$1,465,368 (\$846,602 (tax levy) and \$700,000 (Chapter 90 funds): This request for the annual street resurfacing program is comprised of \$846,602 of tax levy dollars of which \$565,367 derives from a 2001 operating budget override, and an anticipated distribution of \$700,000 of Chapter 90 funds. Over and above the \$565,367 in tax levy dollars from the 2001 override, an additional \$281,234 of tax levy support has been recommended for FY12, the source of which is from the allocation of incremental revenue to municipal operations from the FY12 Revenue Allocation Model. This funding will allow for the proper maintenance and repair of Lexington's streets and sidewalks, increasing their quality and safety. Specifically, funds will be used for design, inspections, planning, repair and resurfacing.

Battle Green Monument Restoration - \$50,000 (CPA funds): This project will rehabilitate and repair existing monuments in Town in preparation for the Town's 300th year celebration in 2013. Monuments to be restored and repaired include the Obelisk, Minuteman Statue, Minuteman Monument, and the Common flagpole. A conservator will be hired to assist and oversee the necessary work. The monuments will be checked for structural integrity and will be repaired and restored to proper finish. This project will preserve monuments to Lexington's history for both Lexington residents and tourists visiting the Town.

Westview Cemetery Irrigation Phase 3 - \$35,000 (free cash): This request is for funds to complete the in-ground irrigation system for the Westview Cemetery. There are two sections remaining that need in-ground irrigation to help improve and maintain turf appearance, its vigor and recovery. Water is essential for turf to grow and is especially important for seed establishment. Lack of proper irrigation will lead to deteriorating turf which will result in higher maintenance costs and unsightly appearance of the grave sites.

Comprehensive Watershed Storm Water Management Study - \$50,000 (free cash): This request is for consultant services for initial design development of improvements recommended in phase one of a three phase study. DPW, Engineering and Conservation are collaborating on addressing drainage/brook management issues. They have identified problems including sediment buildup in brooks and wetlands and culvert deterioration and blockages which reduce the volume of water that can be handled by our drainage system. If this issue is not addressed in the very near future, the risk of flooding due to poor drainage will increase and cause private property damage and Town infrastructure damage. Upon completion of the three phases, the 18 brooks within the 3 watersheds in Lexington (Charles River, Mystic River, and Shawsheen River) will have been studied. Future funding requests will be made for implementing needed improvements.

Town-wide Signalization Improvements - \$42,000 (free cash): This project is part of an annual program to upgrade signalized intersections throughout town. Engineering staff is in the process of a Traffic Intersection Signal Study funded with Traffic Mitigation funds that includes pedestrian signals. The signal compliance study includes ADA compliance, condition

assessment, signal timing, delays, priority of need, and energy efficiency. The FY12 request is to update pedestrian signals at the Bedford/Hill/Revere intersection.

Culvert Replacement - \$65,000 (Compost revolving fund): The three corrugated metal pipe arch culverts under the access road to the Hartwell Avenue Compost Facility have failed due to rust and separation at the pipe connection joints. Significant sinkholes have developed in the roadway as a result. Replacing these pipe culverts will allow for continuous and safe access to the compost facility as well as proper storm water flow through the culverts. This request is for survey, design and permitting of the repairs. Funds for construction will be requested at a subsequent town meeting. In the future, culverts on Concord Avenue and elsewhere in Lexington will also need repairs.

Waltham Street Pedestrian Safety Improvement - \$66,000 (Traffic Mitigation Stabilization Fund) : This request would allow for the installation of a high visibility pedestrian crossing on Waltham Street in the vicinity of Brookhaven. A study of the area has been completed and the Traffic Safety Advisory Committee has recommended the installation to provide a clear indication to vehicles that there is a pedestrian crossing and to make the street safer for pedestrians. Waltham Street is very heavily travelled and has numerous destination points such as stores and banks on both sides of the street. Additionally, there is a dense population of elderly residents in the Brookhaven neighborhood who cross in this area for shopping.

Compost Facility Green Waste Study - \$52,000 (Compost revolving fund): The Board of Selectmen has requested staff to assess the Hartwell Avenue compost site as a location for a privately operated "green waste" processing facility. Such an operation, through a process known as anaerobic digestion, would convert green waste (food stuffs and vegetative matter) into energy and compost.

Park Improvements -Athletic Fields - \$50,000 (free cash): The request for this annual program will target the Franklin ball field area. Lexington's athletic fields see excessive use by recreation, school, youth, and adult groups and the Franklin ballfield area has not been renovated in over 20 years. The proposed renovations will include infield and outfield grading and turf replacement to improve drainage and increase playability, installation of irrigation where appropriate, and replacement of backstop and player benches to correct safety issues.

Center Playfields Drainage Implementation Phase - \$911,863 (CPA funds): The Center Playfields Complex is the most heavily used Recreation complex in the Town. It is used by the schools, adult and youth leagues and the general public. The entire 23-acre area has very poor drainage conditions resulting in standing water, soft field areas, and reduced turf cover and quality which lead to unsafe and unplayable conditions. Funds requested for FY12 are the second phase of a three year project projected to cost \$2.39 million. Work in this phase will implement drainage and grading improvements on the football field and JV baseball field areas to move water off the fields and allow them to dry faster. Funding for the remaining field areas and parking lot will be requested in FY13.

Town Pool Renovations - \$165,000 (recreation retained earnings): This request is for phase II of a multi-phased program of renovations to the Irving H. Mabee Pool Complex. Proposed renovations were identified in a consulting study completed in 2008. Phase I, approved at the 2010 annual town meeting, includes the replacement of the hot water system, the ventilation and exhaust system, and compliance and safety issues. The \$165,000 requested for Phase II is for interior repairs, renovations to enhance environmental and energy efficiency at the complex including the replacement of toilets, showers and sinks in the men's and

women's locker rooms with water conserving systems. Funds for Phase III will be requested for FY16 and are estimated at \$1,100,000 to replace the pool's filtration system which is beyond its useful life.

Firefighter Protective Turnout Gear - \$88,000 (free cash): Turnout gear is the primary safety garment worn by firefighters to provide protection against burns, exhaustion, and exposure to toxic fumes. Since the Lexington Fire Department upgraded all of its protective gear in 1997, on a continuous basis the gear has been replaced through the operating budget. This year several sets of gear were returned as not certifiable, and a subsequent audit of all gear indicates 40 sets of deficient gear. Deficiencies include compromised vapor barriers, damaged internal thermal barriers, and ultraviolet-damaged outer shells. This capital request will allow the funding available through the operating budget to properly maintain the condition of turnout gear going forward.

Leary Property Design - \$30,000 (CPA funds): The Ad Hoc Leary Property Community Housing Task Force has recommended to the Board of Selectmen that \$30,000 be requested to prepare an affordable housing development proposal for the site at 116 Vine Street. Approval of these funds would enable the Task Force to continue public outreach and pre-development activities such as architectural and engineering work, production of plans and specifications, and program development. The Task Force expects to explore a range of construction funding, including a future application for CPA funds, but the Task Force needs to define its program prior to applying for affordable housing production grants from the State. Ultimately the group envisions that a local non-profit developer will handle the long-term operation and maintenance of the property, and that revenues generated by the property will be sufficient to sustain the project without needing infusions of new capital.

Archives & Records Management/Records Conservation & Preservation - \$150,000 (CPA funds): This is the fourth year request for a 5-year program of conservation and preservation of historic municipal documents and records. It will continue the proper retention and archiving of vital records created by municipal departments with microfilming and digitization for ready access. The request for FY12 includes significant items from the Assessor and Town Clerk collections that are at risk for damage and loss. Additional work to microfilm bulky permanent records is also planned. The request includes provision of hardware/software as needed for electronic document management, in addition to microfilming, scanning, preservation and conservation.

Battle Green Master Plan Implementation - \$50,000 (CPA funds): A Master Plan for the Battle Green is being prepared for the Selectmen's approval. This plan will call for the coordinated stewardship of this important Lexington resource, and will recommend site improvements including comprehensive programming for lighting, interpretation, path surfaces, parking, pedestrian access, monument preservation and plantings. While the details of the Master Plan are still being reviewed, the Master Plan Committee is seeking funding for initial work on the pathways leading to the monuments on the Green. The funding estimate for this historic preservation project is \$48,000 for restoration work with a \$2,000 contingency. Additional funding may be requested in subsequent years for this historic preservation project, depending upon available matching state, federal, and private grant funds.

Other CPA-Funded Projects

LexHAB - Set Aside for Housing Acquisition - \$450,000 (CPA funds): LexHAB is requesting "up-front" funds from the CPA fund in order to purchase affordable housing units in

a cost-effective manner. To date, LexHAB purchases a unit, applies to the CPC for funding, and then must wait until July 1 until funds become available. This delay results in the necessity for two closings, duplicative legal fees, lost rental income, and unnecessary payment of interest costs. Providing LexHAB with funds prior to purchase saves LexHAB and the Town considerable money and staff time. The funds for this article to support community housing would be held by the Town, and bills would be submitted for payment, similar to all CPC and Town Meeting approved projects. The CPC is recommending this funding to Town Meeting subject to agreed standards for the purchase or creation of new housing units.

Muzzey Condo Assoc. Window Replacement - \$273,915 (CPA funds): This project involves the replacement of windows on the former Muzzey Junior High School building on Massachusetts Avenue, which is in the Munroe Tavern Historic District. Windows owned by the residents of the Muzzey Condominium Association are in need of replacement due to energy inefficiency and widespread deterioration, and the Historic Districts Commission has approved the Association's plan for total replacement with windows which cost \$2,855 per window -- a substantial premium over the more affordable \$931 per window for modern vinyl windows. The Association is seeking to mitigate this difference in cost for approximately 137 windows. The Association feels this is necessary since many residents are on limited fixed incomes, substantially below the area-wide median income level, and have had to face \$300,837 in capital improvements to the building in the last two years. The CPC has approved this request, with the stipulation that the monies appropriated in this grant be returned to the Town upon sale of individual units.

Vynebrooke Village Drainage Improvements - \$364,800 (CPA funds): This project follows upon a design study funded in FY 2011 of the drainage problems at this state-funded public housing development. At present, water accumulates around the units and flows into the crawl spaces below the apartments. Each apartment is equipped with a sump pump, but the pumps are not adequate to handle flow from large storm events, and this situation has worsened over the years. This project to preserve community housing would fund the construction of a drainage system around the perimeter of the units that would tie into the storm drain system; a venting system to prevent inflow into the units; and the installation of a dehumidification system in each unit.

DEFERRED FY2012 CAPITAL REQUESTS AND FY2013 TO FY2016 CAPITAL REQUESTS

Department	Project Name	FY 2012 Deferred	FY 2013	FY 2014	FY 2015	FY 2016	Total
Fire							
	Replacement of Ladder Truck	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
	Repair of Fire Station Floor and Temporary Administrative Offices	\$ 250,000					\$ 250,000
	Fire Headquarters Replacement						TBD
	Public Safety Radio Connectivity	\$ 427,517	\$ 85,000	\$ -	\$ -	\$ -	\$ 512,517
		\$ 677,517	\$ 85,000	\$ 1,000,000	\$ -	\$ -	\$ 1,762,517

Human Services							
	Muzzey Senior Center Upgrade Phase 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

MIS							
	Head End Equipment Replacement - phase IV	\$ -	\$ 60,000	\$ 125,000	\$ 250,000	\$ -	\$ 435,000
	MIS Technology Improvement Program		\$ 140,000	\$ -	\$ -	\$ 64,000	\$ 204,000
	Replace Town Wide Phone Systems	\$ 600,000	\$ 600,000	\$ -	\$ -	\$ -	\$ 1,200,000
	Town Wide Electronic Document Management System		\$ 80,000	\$ 60,000	\$ -	\$ -	\$ 140,000
		\$ 600,000	\$ 880,000	\$ 185,000	\$ 250,000	\$ 64,000	\$ 1,979,000

Police							
	Police Station, Renovation and Add-on Design and Engineering	\$ -	\$ -	\$ -	\$ -	\$ -	TBD
	Software (Police & Fire/EMS)	\$ -	\$ -	\$ -	\$ -	\$ 410,000	\$ 410,000
		\$ -	\$ -	\$ -	\$ -	\$ 410,000	\$ 410,000

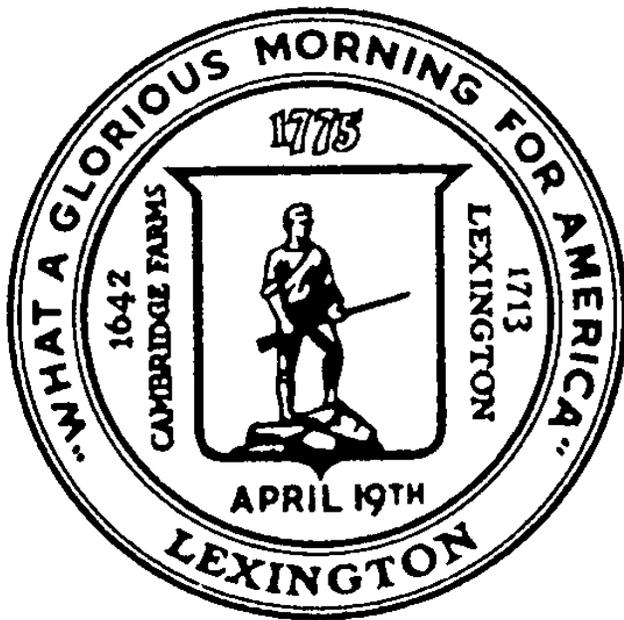
Public Facilities							
	Building Envelope		\$ 169,711	\$ 173,954	\$ 178,302	\$ 182,760	\$ 704,727
	Community Center Construction						TBD
	Restoration of the Stone Building						TBD
	Cary Memorial Building Upgrade		\$ 1,000,000	\$ 875,000	\$ 550,000		\$ 2,425,000
	White House Stabilization		\$ 300,000				\$ 300,000
	School Building Roofing Program	\$ -	\$ 157,930	\$ -	\$ -	\$ 396,162	\$ 554,092
	School Building Envelope Program	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 800,000
	Clarke Auditorium Lighting and Technology Upgrade	\$ 90,000	\$ 170,000	\$ 60,000	\$ -	\$ -	\$ 320,000
	Bridge & Bowman Renovation		\$ 18,340,786	\$ -	\$ -	\$ -	\$ 18,340,786
	School Building Flooring Program	\$ 75,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 575,000
	LHS Way Finding Signs	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 25,000
	School Window Treatments Extraordinary Repair	\$ 50,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 25,000	\$ 275,000
	School Locker Program		\$ 150,000	\$ 150,000	\$ 50,000	\$ 25,000	\$ 375,000
	School Paving Program	\$ 25,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 325,000
	School Interior Painting Program	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ 150,000	\$ 450,000
	LHS Pervious Sidewalk and Landscape	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
	LHS Overcrowding - Phase 1	\$ -	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,000,000
	Estabrook School Feasibility		\$ 29,850,000	\$ -	\$ -	\$ -	\$ 29,850,000
		\$ 305,000	\$ 50,888,427	\$ 2,108,954	\$ 1,628,302	\$ 1,428,922	\$ 56,359,605

Public Works							
	Mass Ave - Three Intersections Improvement	\$ -	\$ 275,000	\$ -	\$ -	\$ -	\$ 275,000
	Dam Repair			\$ 10,000	\$ -	\$ -	\$ 10,000
	Street Improvements		\$ 1,280,000	\$ 1,294,000	\$ 1,309,000	\$ 1,324,000	\$ 5,207,000
	Water Distribution System Improvements	\$ -	\$ 900,000	\$ 575,000	\$ 575,000	\$ 575,000	\$ 2,625,000
	Wastewater System Improvements		\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 4,800,000
	Town Wide Culvert Replacement		\$ 315,000	\$ 315,000	\$ 250,000	\$ -	\$ 880,000
	Storm Drainage Improvements		\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,000,000
	Equipment Replacement		\$ 515,700	\$ 538,700	\$ 490,700	\$ 405,700	\$ 1,950,800
	Hastings Park Irrigation	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
	Hydrant Replacement Program		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 200,000
	Water Management Study and Implementation		\$ 360,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 1,110,000
	Town-wide Signalization Improvements		\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 500,000
	Pump Station Upgrades		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
	Automatic Meter Reading System	\$ 707,250	\$ 546,000	\$ 546,000	\$ -	\$ -	\$ 1,799,250
	CBD Sidewalks	\$ -	\$ 120,000	\$ 1,110,000	\$ -	\$ -	\$ 1,230,000
	Sidewalk Improvement		\$ 300,000	\$ 400,000	\$ 400,000	\$ -	\$ 1,100,000
	Concord Avenue Sidewalks	\$ -	\$ 150,000	\$ 1,000,000	\$ -	\$ -	\$ 1,150,000

DEFERRED FY2012 CAPITAL REQUESTS AND FY2013 TO FY2016 CAPITAL REQUESTS (continued)

Department	Project Name	FY 2012 Deferred	FY 2013	FY 2014	FY 2015	FY 2016	Total
<i>Recreation</i>							
	Town Pool Renovation		\$ -	\$ -	\$ -	\$ 1,120,000	\$ 1,120,000
	Center Playfields Drainage - Implementation Phase		\$ 605,718	\$ -	\$ -	\$ -	\$ 605,718
	Park Improvements - Athletic Fields		\$ 50,000	\$ 200,000	\$ 200,000	\$ 210,000	\$ 660,000
	Pine Meadows Equipment	\$ -	\$ 42,000	\$ -	\$ 52,000	\$ 45,000	\$ 139,000
	Athletic Facility Lighting	\$ -	\$ 269,469	\$ -	\$ 459,370	\$ -	\$ 728,839
	Pine Meadows Improvements	\$ -	\$ -	\$ 259,000	\$ -	\$ -	\$ 259,000
	Resurfacing	\$ -	\$ 110,000	\$ -	\$ 75,000	\$ 40,000	\$ 225,000
	Park and Playground Improvements	\$ -	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 240,000
	ADA Accessibility Study	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000
		\$ -	\$ 1,137,187	\$ 519,000	\$ 896,370	\$ 1,475,000	\$ 4,027,557
<i>Schools</i>							
	Technology Capital Request		\$ 725,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 2,525,000
	Food Service Equipment		\$ 163,950	\$ 100,000	\$ 100,000	\$ 100,000	\$ 463,950
	System Wide Technology Sustainability Plan	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,000,000
	Classroom Furniture		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 400,000
		\$ -	\$ 1,488,950	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 5,388,950
<i>Town Clerk</i>							
	Archives & Records Management / Records Conservation & Preservation		\$ 150,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 210,000
		\$ -	\$ 150,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 210,000
TOTAL		\$ 2,359,767	\$ 61,116,264	\$ 12,896,654	\$ 9,094,372	\$ 8,977,622	\$ 94,444,679

Appendix A: Program Improvement Request Summary





**Appendix A: Program Improvement Requests
 Shared & Municipal Programs 2000-8000
 FY 2012 Recommended Budget: Program Restoration/Improvements**

Program Improvement Request Summary

<u>Program</u>	<u>Department Request</u>	<u>Town Manager's Recommendation</u>		<u>Selectmen's Recommendation</u>	
		<u>Recommended</u>	<u>Not Recommended</u>	<u>Recommended</u>	<u>Not Recommended</u>
sub-total 3000 Public Works	\$ 94,553	\$ 294,553	\$ -	\$ 375,787	\$ -
sub-total 4100 Police	\$ 332,918	\$ 138,718	\$ 194,200	\$ 138,718	\$ 194,200
sub-total 4200 Fire	\$ 147,688	\$ 112,370	\$ 35,318	\$ 112,370	\$ 35,318
sub-total 6000 Human Services	\$ 10,739	\$ 3,000	\$ 7,739	\$ 3,000	\$ 7,739
sub-total 7100 Community Development	\$ 34,750	\$ 23,100	\$ 11,650	\$ 23,100	\$ 11,650
sub-total 7200 Planning	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -
sub-total 7300 Economic Development	\$ 53,000	\$ 53,000	\$ -	\$ 53,000	\$ -
sub-total 8100 Board of Selectmen	\$ 42,000	\$ 42,000	\$ -	\$ 42,000	\$ -
sub-total 8200 Town Manager Office	\$ 85,833	\$ 55,137	\$ 30,696	\$ 55,137	\$ 30,696
sub-total 8300 Town Committees	\$ 750	\$ -	\$ 750	\$ -	\$ 750
sub-total 8400 Finance	\$ 44,657	\$ 7,300	\$ 67,181	\$ 74,481	\$ 74,481
sub-total 8600 MIS	\$ 12,500	\$ 12,500	\$ -	\$ 12,500	\$ -
Total Municipal Program Improvement Requests	\$ 909,388	\$ 741,678	\$ 397,534	\$ 940,093	\$ 354,834



Appendix A: Program Improvement Requests
Shared & Municipal Programs 2000-8000
FY 2012 Recommended Budget: Program Restoration/Improvements

Program	Description	One-Time Cost	Ongoing Annual Cost	Department Request	Town Manager's Recommendation		Selectmen's Recommendation		
					Recommended	Not Recommended	Recommended	Not Recommended	
Public Works									
3210 Highway Maintenance	Road Saw Purchase	\$ 4,900	\$ -	\$ 4,900	\$ 4,900	\$ -	\$ 4,900	\$ -	
3210 Highway Maintenance	New Traffic Signs	\$ -	\$ 4,950	\$ 4,950	\$ 4,950	\$ -	\$ 4,950	\$ -	
3310 Parks	Turf Maintenance Program	\$ -	\$ 16,000	\$ 16,000	\$ 16,000	\$ -	\$ 16,000	\$ -	
3400 Environmental Services ¹	W-4 Heavy Equipment Operator	\$ -	\$ 53,703	\$ 53,703	\$ 53,703	\$ -	\$ 53,703	\$ -	
3310 Parks	Minuteman Bike path Maintenance	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ -	
3210 Highway Maintenance	Street Rehabilitation Set-aside			\$ -	\$ 200,000		\$ 281,234	\$ -	
Total Public Works		\$ 4,900	\$ 89,653	\$ 94,553	\$ 294,553	\$ -	\$ 375,787	\$ -	
Police									
4120 Patrol and Enforcement	Day Shift Officer	\$ -	\$ 67,181	\$ 67,181	\$ 67,181	\$ -	\$ 67,181	\$ -	
4120 Patrol and Enforcement	Backfill- Desk Officer Overtime	\$ -	\$ 37,621	\$ 37,621	\$ 37,621	\$ -	\$ 37,621	\$ -	
4120 Patrol and Enforcement	Backfill- Center Officer Overtime	\$ -	\$ 35,195	\$ 35,195	\$ -	\$ 35,195	\$ -	\$ 35,195	
4120 Patrol and Enforcement	Crime Prevention and Safety Officer	\$ -	\$ 69,467	\$ 69,467	\$ -	\$ 69,467	\$ -	\$ 69,467	
4120 Patrol and Enforcement	Support Vehicles	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 25,000	\$ -	
4110 Administration	Computer Forensic and Information Specialist	\$ -	\$ 83,338	\$ 83,338	\$ -	\$ 83,338	\$ -	\$ 83,338	
4150 Dispatch	Uninterruptible Power System (UPS)	\$ 8,916	\$ -	\$ 8,916	\$ 8,916	\$ -	\$ 8,916	\$ -	
4160 Animal Control & 4170 Parking Control	Supplement Animal Control/Parking Enforcement	\$ -	\$ 6,200	\$ 6,200	\$ -	\$ 6,200	\$ -	\$ 6,200	
Total Police		\$ 8,916	\$ 324,002	\$ 332,918	\$ 138,718	\$ 194,200	\$ 138,718	\$ 194,200	
Fire									
4240- EMS ²	Director of EMS/Deapment Organization Study	\$ 3,500	\$ 101,970	\$ 105,470	\$ 105,470	\$ -	\$ 105,470	\$ -	
4210 Fire Administration	Additional Clerical Hours	\$ -	\$ 22,900	\$ 22,900	\$ 6,900	\$ 16,000	\$ 6,900	\$ 16,000	
4230 Fire Suppression	Four (4) Fire Lieutenants	\$ -	\$ 19,318	\$ 19,318	\$ -	\$ 19,318	\$ -	\$ 19,318	
Total Fire		\$ 3,500	\$ 144,188	\$ 147,688	\$ 112,370	\$ 35,318	\$ 112,370	\$ 35,318	
Human Services									
6110 Administration	P/T Municipal Clerk	\$ -	\$ 7,739	\$ 7,739	\$ -	\$ 7,739	\$ -	\$ 7,739	
6120 Community Programs	Rental Contractual Services	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ -	\$ 3,000	\$ -	
Total Human Services		\$ -	\$ 10,739	\$ 10,739	\$ 3,000	\$ 7,739	\$ 3,000	\$ 7,739	
additional									
Community Development									
7120 - Regulatory Support	Contractual Temporary Staff	\$ 18,500	\$ -	\$ 18,500	\$ 18,500	\$ -	\$ 18,500	\$ -	
7130 Conservation	Part-time Conservation Ranger	\$ -	\$ 11,650	\$ 11,650	\$ -	\$ 11,650	\$ -	\$ 11,650	
7130 Conservation	Community Gardens on Dunback Meadow Conservation Land	\$ 4,300	\$ 300	\$ 4,600	\$ 4,600	\$ -	\$ 4,600	\$ -	
Total Community Development		\$ 22,800	\$ 11,950	\$ 34,750	\$ 23,100	\$ 11,650	\$ 23,100	\$ 11,650	



Appendix A: Program Improvement Requests
Shared & Municipal Programs 2000-8000
FY 2012 Recommended Budget: Program Restoration/Improvements

Program	Description	One-Time Cost	Ongoing Annual Cost	Department Request	Town Manager's Recommendation		Selectmen's Recommendation		
					Recommended	Not Recommended	Recommended	Not Recommended	
Planning									
7210 Planning	Zoning Consultant	\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -	
Total Planning		\$ 50,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 50,000	\$ -	
Economic Development Office									
7310 Economic Development Office	Parking Management Implementation	\$ 38,000	\$ -	\$ 38,000	\$ 38,000		\$ 38,000	\$ -	
7310 Economic Development Office ³	Lexington Center Improvements	\$ 15,000	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ -	
Total Economic Development Office		\$ 53,000	\$ -	\$ 53,000	\$ 53,000	\$ -	\$ 53,000	\$ -	
Board of Selectmen									
8110 Board of Selectmen	Lexington 300th Celebration	\$ 6,000	\$ -	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ -	
8110 Board of Selectmen	Match for Adams Art Grant	\$ 36,000	\$ -	\$ 36,000	\$ 36,000	\$ -	\$ 36,000	\$ -	
Total Board of Selectmen		\$ 42,000	\$ -	\$ 42,000	\$ 42,000	\$ -	\$ 42,000	\$ -	
Town Manager									
8210 Organizational Direction & Administration	Administrative Assistant- Benefits Specialist	\$ -	\$ 65,833	\$ 65,833	\$ 35,137	\$ 30,696	\$ 35,137	\$ 30,696	
8210 Organizational Direction & Administration	ADA Town Building Accessibility Study			\$ 20,000	\$ 20,000	\$ -	\$ 20,000	\$ -	
Total Town Manager		\$ 20,000	\$ 65,833	\$ 85,833	\$ 55,137	\$ 30,696	\$ 55,137	\$ 30,696	
Town Committees									
8320 Misc. Boards & Committees	Citizen's Academy Program Support	\$ -	\$ 750	\$ 750	\$ -	\$ 750	\$ -	\$ 750	
Total Town Committees		\$ -	\$ 750	\$ 750	\$ -	\$ 750	\$ -	\$ 750	
Finance									
8430 Assessor	Convert P/T Principal Clerk to Full Time	\$ 4,000	\$ 33,357	\$ 37,357	\$ -	\$ 37,357	\$ -	\$ 37,357	
8430 Assessor	Specialized Services- Residential Appraising	\$ -	\$ 7,300	\$ 7,300	\$ 7,300	\$ -	\$ 7,300	\$ -	
Total Finance		\$ 4,000	\$ 40,657	\$ 44,657	\$ 7,300	\$ 37,357	\$ 7,300	\$ 37,357	
MIS									
8610-MIS	Remote Disaster Recovery Plan	\$ -	\$ 6,000	\$ 6,000	\$ 6,000	\$ -	\$ 6,000	\$ -	
8610-MIS ⁴	Meeting Room Improvements	\$ 6,500	\$ -	\$ 6,500	\$ 6,500	\$ -	\$ 6,500	\$ -	
Total MIS		\$ 6,500	\$ 6,000	\$ 12,500	\$ 12,500	\$ -	\$ 12,500	\$ -	
Sub-Total Programs 2000-8000		\$ 215,616	\$ 693,772	\$ 909,388	\$ 741,678	\$ 367,710	\$ 872,912	\$ 317,710	

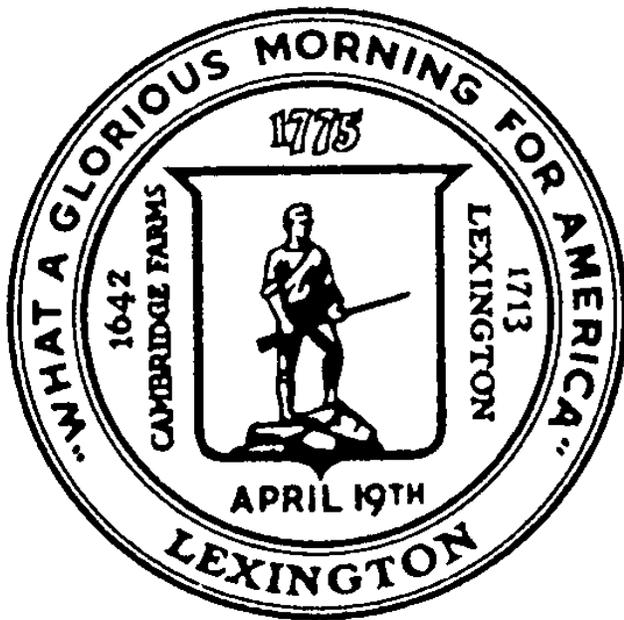
¹W-4 Heavy Equipment Operator to be funded with funds from the Compost Revolving Fund.

² Pending further review by the Board of Selectmen, Town Manager, Fire Chief, and Organizational Study.

³Lexington Center Improvements project to be funded with funds from the Center Improvement Stabilization Fund.

⁴Meeting Room Improvement project to be funded with funds from the PEG Access Revolving Fund.

Appendix B: Budget Information



Compilation Budget Laws
Override History

Budget Bylaw– Table of Contents

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CAPITAL EXPENDITURES COMMITTEE	
Capital Expenditures Report	B-8

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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 (con't)

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 (con't)

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 (con't)

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]

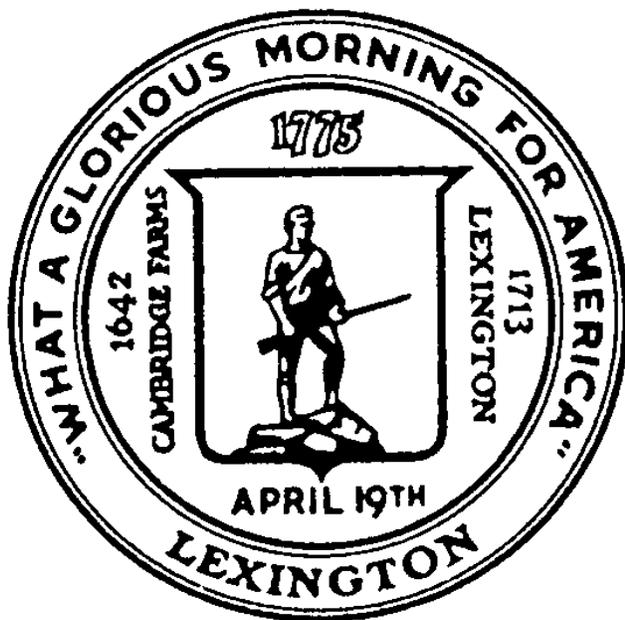
Override History

An operating override is an action taken by the voters of a 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 thus becomes a permanent addition to the tax levy limit.

Two provisions within Proposition 2 ½ allow votes to authorize the Town to raise taxes above the tax levy limit: an operating override or a debt exclusion. 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 overrides and debt exclusions in Lexington.

History of Proposition 2 1/2 Override Votes				
Date of Vote	FY	Proposition 2½ Overrides	Amount	Result
Jun 2007	2008	Override		
		Schools	\$3,981,589	Approved
		Debt Exclusion		
		Public Works Facility	\$25,180,000	Approved
Jun 2006	2007	Override		
		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	2004	Override	\$4,957,000	Not Appr.
Jun 2002	2003	Debt Exclusion - Schools, Roads, Lincoln Park	\$42,550,000	Approved
May/June 2000	2001	Override – Town/School Services and Roads	\$3,440,829	Approved
Dec 1998	2000	Debt Exclusion – School Building Project	\$52,235,000	Approved
Dec 1997	-	Debt Exclusion – School Building Project	\$68,200,000	Not Appr.
Jun 1995	1996	Override – Town/School Services		
		Schools	\$1,172,152	Approved
		Open Space	\$29,000	Approved
		Police	\$102,000	Approved
		Fire	\$196,848	Approved
Jun 1992	1993	Override – Trash Collection	\$2,718,092	Approved
Jun 1990	1991	Override – Town/School Services	\$1,097,829	Approved
Aug 1988	1989	Debt Exclusion – Pine Meadows Golf Course	\$11,000,000	Approved

Appendix C: Financial Information



[FY 2010 Fund Balances](#)
[Revolving Fund Balances](#)
[FY 2007-2012 CPA Summary](#)
[Reserve Fund Transfer History](#)
[Stabilization Fund History](#)
[Pension History](#)
[Snow & Ice History](#)

Summary of Town Fund Balances

Combined Summary of Revenues & Expenditures - FY 2010 Actual

This spreadsheet shows beginning and ending fund balances for FY 2010. Beginning balances (as of July 1, 2009) are shown on the first line, 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.). FY 2010 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	\$18,614,378	\$ 26,507,629	\$ 22,401,328	\$ 3,342,539	\$ 12,857,425	\$ 5,263,661	\$ 12,137,189	\$101,124,148
REVENUES								
Property Taxes, net	\$ 121,010,869				\$ 3,038,648			\$ 124,049,517
Intergovernmental	\$ 9,490,976	\$ 1,810,000			\$ 12,739,903		\$ 4,000	\$ 24,044,879
MV & Other Excise Tax	\$ 4,292,214							\$ 4,292,214
Departmental Fees & Charges	\$ 2,406,351	\$ 7,528,948	\$ 6,873,755	\$ 1,847,920	\$ 7,427,466		\$ 4,847	\$ 26,089,287
Investment Income	\$ 868,024	\$ 11,219	\$ 13,236	\$ 44,231	\$ 45,563		\$ 132,305	\$ 1,114,578
Special Assessments	\$ 47,904							\$ 47,904
In-Lieu Payments	\$ 507,546							\$ 507,546
Penalties & Interest	\$ 397,037	\$ 50,499			\$ 7,493			\$ 455,029
Licenses & Permits	\$ 2,047,345							\$ 2,047,345
Fines & Forfeits	\$ 365,657							\$ 365,657
Bond Proceeds		\$ 10,737	\$ 1,746	\$ 127	\$ 4,277,000	\$ 5,996,000		\$ 10,285,610
Employee Contributions/Other							\$ 24,753,308	\$ 24,753,308
TOTAL REVENUES:	\$ 141,433,923	\$ 9,411,402	\$ 6,888,737	\$ 1,892,278	\$ 27,536,073	\$ 5,996,000	\$ 24,894,460	\$ 218,052,873
Transfers from other funds	\$ 2,452,770		\$ 25,000		\$ 683,420	\$ 1,280,044	\$ 3,420,476	\$ 7,861,710
TOTAL AVAILABLE RESOURCES	\$ 143,886,693	\$ 9,411,402	\$ 6,913,737	\$ 1,892,278	\$ 28,219,493	\$ 7,276,044	\$ 28,314,936	\$ 225,914,583
EXPENDITURES								
General Government	\$ 12,701,831				\$ 10,639,417	\$ 1,641,750		\$ 24,982,998
Public Safety	\$ 11,067,335				\$ 1,611,437	\$ 725,970	\$ 20,125	\$ 13,424,867
Education	\$ 65,905,578				\$ 10,388,692	\$ 1,814,722		\$ 78,108,992
Public Works	\$ 7,280,093	\$ 7,381,533	\$ 5,959,360		\$ 3,197,121	\$ 4,411,219		\$ 28,229,325
Health and Human Services	\$ 576,097				\$ 244,253	\$ 24,061	\$ 23,127,968	\$ 23,972,380
Culture and Recreation	\$ 2,837,746			\$ 1,556,187	\$ 5,612	\$ 3,326	\$ 9,858	\$ 4,412,729
State and County Assessments	\$ 724,556							\$ 724,556
Debt Service	\$ 10,240,217	\$ 241,926	\$ 659,155	\$ 138,100				\$ 11,279,399
Pension/Insurance	\$ 26,929,958				\$ 8,892			\$ 26,938,850
TOTAL EXPENDITURES:	\$ 138,263,411	\$ 7,623,458	\$ 6,618,515	\$ 1,694,287	\$ 26,095,424	\$ 8,621,048	\$ 23,157,951	\$ 212,074,094
Transfers to other funds	\$ 3,138,702	\$ 706,163	\$ 803,776	\$ 188,583	\$ 76,090	\$ 1,739,894	\$ 414,158	\$ 7,067,366
ENDING FUND BALANCES	\$ 21,098,957	\$ 27,589,410	\$ 21,892,773	\$ 3,351,948	\$ 14,905,404	\$ 2,178,763	\$ 16,880,016	\$ 107,897,271

Summary of Revolving Fund Balances

FY 2010 Actuals (and first half of FY 2011)

This spreadsheet shows beginning and ending balances for municipal Revolving Funds for FY 2010 and the first half of FY 2011 (July 1, 2010-December 31, 2010).

Beginning balances (as of July 1, 2009) are shown in column (1), followed by all revenues received by category (Tax levy, intergovernmental revenue/state aid, fees, etc.) in column (2). Expenditures are shown in column (3). FY 2010 actuals are provided because it is the most recent fiscal year for which data is available. Rules for the establishment, use and reporting of Revolving Funds is governed by M.G.L. Ch.44, Sec. 53E 1/2.

FY2012 data is through December 31, 2010. Columns (5)-(7) are shown for informational purposes.

	(1) 7/1/09 Beg Bal	(2) FY10 Revenue	(3) FY10 Expenditures	(4) 6/30/2010 End Bal	(5) July-Jan 11 Revenue	(6) July-Jan 11 Expenditures	(7) 12/31/2010 End Bal
Tree	\$ 1,574	\$ 6,490	\$ 5,227	\$ 2,838	\$ -	\$ 2,024	\$ 814
Burial Container	\$ 72,541	\$ 50,950	\$ 29,162	\$ 94,329	\$ 34,705	\$ 32,300	\$ 96,734
Compost Operations	\$ 348,838	\$ 402,257	\$ 311,902	\$ 439,193	\$ 165,921	\$ 149,771	\$ 455,344
MHHP Operations	\$ 36,881	\$ 162,155	\$ 143,103	\$ 55,932	\$ 113,004	\$ 83,919	\$ 85,017
Council on Aging Programs	\$ 15,518	\$ 96,528	\$ 100,000	\$ 12,045	\$ 63,345	\$ 49,357	\$ 26,033
Health Programs	\$ 9,759	\$ 10,508	\$ 7,705	\$ 12,563	\$ 10,890	\$ 3,995	\$ 19,458
PEG/Lexington Comm. TV	\$ 343,622	\$ 591,805	\$ 332,033	\$ 603,394	\$ 230,127	\$ 215,615	\$ 617,905
School Bus Transportation	\$ 429,377	\$ 707,020	\$ 806,897	\$ 329,500	\$ 226,118	\$ 829,724	\$ (274,106)
Public Facilities Revolving Fund	\$ 40,104	\$ 315,821	\$ 306,093	\$ 49,833	\$ 136,606	\$ 172,848	\$ 13,590
Liberty Ride	\$ 22,068	\$ 154,493	\$ 159,104	\$ 17,457	\$ 127,744	\$ 118,120	\$ 27,080

APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Budget	FY12 Budget
Community Preservation Act Revenue						
Property Surcharge	\$ 2,531,494	\$ 2,777,882	\$ 2,922,795	\$ 3,042,587	\$ 3,153,000	\$ 3,307,000
State Match	\$ -	\$ 2,556,362	\$ 1,927,708	\$ 1,060,390	\$ 941,700	\$ 859,000
Investment Income	\$ 48,911	\$ 148,154	\$ 101,141	\$ 41,153	\$ 50,000	\$ 33,000
Donations/Other	\$ 20,000	\$ -	\$ 3,500	\$ -	\$ -	\$ -
Total Revenues	\$ 2,600,406	\$ 5,482,398	\$ 4,955,144	\$ 4,144,130	\$ 4,144,700	\$ 4,199,000

Use of Community Preservation Funds

Open Space Reserve Allocation

Beginning balance	\$ 230,000	\$ 230,000	\$ 690,847	\$ -	\$ 397,207	\$ -
New Allocation	\$ -	\$ 523,347	\$ 430,564	\$ 397,207	\$ 414,470	\$ 419,900
Total	\$ 230,000	\$ 753,347	\$ 1,121,411	\$ 397,207	\$ 811,677	\$ 419,900

Appropriations for:

West Lexington Greenway Corridor (Art. 26(k) 2007 ATM)	\$ -	\$ 62,500	\$ -	\$ -	\$ -	\$ -
Goodwin Property (Art. 5, November 2008 STM)	\$ -	\$ -	\$ 181,517	\$ -	\$ -	\$ -
Leary Property (Art. 12, April 13 2009 ATM)	\$ -	\$ -	\$ 939,894	\$ -	\$ -	\$ -
Minuteman Bikeway (1/2 appropriation, split with Unbudgeted Reserve)	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ -
Cotton Farm Acquisition (Art 9, 2010 ATM)	\$ -	\$ -	\$ -	\$ -	\$ 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
subtotal - appropriations	\$ -	\$ 62,500	\$ 1,121,411	\$ -	\$ 811,677	\$ 419,900

Open Space Reserve Balance at end of fiscal year	\$ 230,000	\$ 690,847	\$ -	\$ 397,207	\$ -	\$ -
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Historic Resources Reserve Allocation

Beginning balance	\$ 25,000	\$ 45,000	\$ -	\$ -	\$ 146,070	\$ 416,996
Donations	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -
New Allocation	\$ -	\$ 676,045	\$ 1,361,900	\$ 484,700	\$ 2,209,963	\$ 419,900
Close Out of Unused Project Balances	\$ -	\$ -	\$ -	\$ -	\$ 416,996	\$ -
Total	\$ 45,000	\$ 721,045	\$ 1,361,900	\$ 484,700	\$ 2,773,029	\$ 836,896

Appropriations for:

Munroe and Old Burial Grounds (Art. 26(b) 2007 ATM)	\$ -	\$ 367,000	\$ -	\$ -	\$ -	\$ -
Historic Homes Fire Monitoring Systems (Art. 26(c) 2007 ATM)	\$ -	\$ 18,120	\$ -	\$ -	\$ -	\$ -
Buckman Tavern Boiler (Art. 26(d) 2007 ATM)	\$ -	\$ 10,685	\$ -	\$ -	\$ -	\$ -
Comprehensive Cultural Resource Survey (Art. 26(e) 2007 ATM)	\$ -	\$ 90,000	\$ -	\$ -	\$ -	\$ -
East Lexington Library Study (Art. 26(g) 2007 ATM)	\$ -	\$ 43,000	\$ -	\$ -	\$ -	\$ -
Cary Hall Performance Restoration (Art. 26(h) 2007 ATM)	\$ -	\$ 147,130	\$ -	\$ -	\$ -	\$ -
Historic Signage (Art. 26(i) 2007 ATM)	\$ -	\$ 18,360	\$ -	\$ -	\$ -	\$ -
Muzzey Condominium Study (Art. 26(l) 2007 ATM)	\$ -	\$ 26,750	\$ -	\$ -	\$ -	\$ -
Belfry Hill Tree Restoration (Art. 9(b) 2008 ATM)	\$ -	\$ -	\$ 9,850	\$ -	\$ -	\$ -
Archive Record Management & Conservation (Art. 9(f) 2008 ATM)	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -
School Administration Building/Old Harrington (Art. 9(j) 2008 ATM)	\$ -	\$ -	\$ 330,000	\$ -	\$ -	\$ -
Munroe Center Sprinkler System (Art. 9(q) 2008 ATM)	\$ -	\$ -	\$ 579,550	\$ -	\$ -	\$ -
Town Office Complex Building Envelope (Art. 9(k) 2008 ATM)	\$ -	\$ -	\$ 95,000	\$ -	\$ -	\$ -
East Lexington Fire Station (Art.9 (l) 2008 ATM)	\$ -	\$ -	\$ 47,500	\$ -	\$ -	\$ -
ADA Accessible Bathrooms and Signs for TOB (Art. 9m) 2008 ATM)	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ -
Town Office Building Use Study & Renovation Design (Art. 9(n) 2008 ATM)	\$ -	\$ -	\$ 80,000	\$ -	\$ -	\$ -
Archive Record Management & Conservation (Art. 11(d) 2009 ATM)	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ -
Lexington Police Station Space Needs Study (Art. 11(g) 2009 ATM)	\$ -	\$ -	\$ -	\$ 45,000	\$ -	\$ -
Fire Headquarters Renovation (Art. 11(i) 2009 ATM)	\$ -	\$ -	\$ -	\$ 29,700	\$ -	\$ -
Stone Building Study (Art. 11(h) 2009 ATM)	\$ -	\$ -	\$ -	\$ 180,000	\$ -	\$ -
Munroe Tavern Historic Structures Report (Art. 11(k) 2009 ATM)	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Cary Library Vault, Preservation Project - Archives	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -
Building Envelope, Cary Mem. Bldng./TOB	\$ -	\$ -	\$ -	\$ -	\$ 73,000	\$ -
Muzzey Senior Center Improvements Study	\$ -	\$ -	\$ -	\$ -	\$ 45,100	\$ -
Cary Memorial Building/TOB HVAC Controls Upgrade	\$ -	\$ -	\$ -	\$ -	\$ 35,000	\$ -
Police Station Ventilation System	\$ -	\$ -	\$ -	\$ -	\$ 31,700	\$ -
White House Historic Structure Report	\$ -	\$ -	\$ -	\$ -	\$ 18,000	\$ -
Stone Building Exterior Stabilization	\$ -	\$ -	\$ -	\$ -	\$ 202,933	\$ -
Town Office Building Renovation	\$ -	\$ -	\$ -	\$ -	\$ 1,185,000	\$ -
Cary Memorial Building - Venue Improvements Study	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ -
Archives and Records Management/Records Conservation	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -
Cary Memorial Building Signage	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Munroe Tavern Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ -
Battle Green Master Plan Study	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -
Cultural Resources Study - Supplemental Appropriation	\$ -	\$ -	\$ -	\$ -	\$ 5,300	\$ -
Archive Record Management & Conservation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
East Lexington Fire Equipment Doors Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000
Battle Green Monument Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Battle Green Master Plan Implementation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Muzzey Condo Assoc. - Window Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 273,915
subtotal - appropriations	\$ -	\$ 721,045	\$ 1,361,900	\$ 484,700	\$ 2,356,033	\$ 583,915

Historic Resources Reserve Balance at end of fiscal year	\$ 45,000	\$ -	\$ -	\$ -	\$ 416,996	\$ 252,981
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APPENDIX C: COMMUNITY PRESERVATION ACT SUMMARY

	FY07 Actual	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Budget	FY12 Budget
Community Housing Reserve Allocation						
Beginning balance	\$ 230,000	\$ 230,000	\$ 198,193	\$ -	\$ 7,289	\$ 3,532
New Allocation	\$ -	\$ 523,347	\$ 638,293	\$ 1,165,828	\$ 1,083,840	\$ 419,900
Close Out of Unused Project Balances	\$ -	\$ -	\$ -	\$ -	\$ 3,532	\$ -
Total	\$ 230,000	\$ 753,347	\$ 836,486	\$ 1,165,828	\$ 1,094,661	\$ 423,432

Appropriations for:

Greeley Village Window Replacement (Art. 26(f) 2007 ATM)		\$ 228,404				
Douglas House Specialized Affordable Housing (Art. 26(j) 2007 ATM)		\$ 300,000				
Muzzey Condominium Study (Art. 26(l) 2007 ATM)		\$ 26,750				
Survey and Define Aff. Housing Assist. Prog. (Art 9(a) 2008 ATM)			\$ 25,000			
Vynebrook Village Windows (Art. 9(e) 2008 ATM)			\$ 158,686			
Parker Manor Condo Purchases (Art. 9(g) 2008 ATM)			\$ 652,800			
Greeley Roof Replacement (Art. 11(j) 2009 ATM)				\$ 320,828		
Lexhab Purchase of 3 Properties (Art. 11(l) 2009 ATM)				\$ 845,000		
Greeley Village Siding Replacement					\$ 386,129	
Vynebrooke Village Design Study					\$ 10,000	
LexHAB Purchase of 2 Properties					\$ 695,000	
Leary Planning Funds						\$ 30,000
LexHAB - Set Aside for Housing Acquisition (Total cost is \$450,000; residual balance is funded from Unbudgeted Reserves)						\$ 393,432
subtotal - appropriations	\$ -	\$ 555,154	\$ 836,486	\$ 1,165,828	\$ 1,091,129	\$ 423,432

Community Housing Reserve Balance at end of fiscal year	\$ 230,000	\$ 198,193	\$ -	\$ -	\$ 3,532	\$ -
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Unbudgeted Reserve

Beginning balance	\$ 1,530,000	\$ -	\$ -	\$ -	\$ -	\$ -
New Allocation	\$ -	\$ 3,510,731	\$ 1,874,884	\$ 1,924,336	\$ 436,427	\$ 2,939,300
Total	\$ 1,530,000	\$ 3,510,731	\$ 1,874,884	\$ 1,924,336	\$ 436,427	\$ 2,939,300

Appropriations for:

Hancock Clark Restoration (Art 4, 2006 STM - for Hist. Pres.)	\$ 25,000					
Lexington Depot (Art. 4, 2006 STM - for Hist. Pres.)	\$ 44,000					
Cary Hall Records Vault (Art. 4, 2006 STM - for Hist. Pres.)	\$ 60,000					
West Lexington Greenway Corridor (Art. 26(k) 2007 ATM)		\$ 62,500				
Center Playfield Drainage Improvements (Art. 26(a) 2007 ATM)		\$ 40,000				
Administrative Expenses (Art. 26(m) 2007 ATM)		\$ 50,000	\$ 50,000			
Old Reservoir Management (Art. 9(d) 2008 ATM)			\$ 55,000			
Harrington Pre-School Playground (Art. 9(i) 2008 ATM)			\$ 75,000			
Harrington Pre-Schl Plygrnd (Suplmtl. Apprtn.(Art. 6, Nov. 2008 STM))			\$ 35,135			
Park Improvements Center Playfields (Art. 11(a) 2009 ATM)				\$ 70,000		
Old Reservoir/Marrett Rd. Stormwater Mitigation (Art. 11(b) 2009 ATM)				\$ 569,000		
Pine Meadow Improvements (Art. 11(c) 2009 ATM)				\$ 200,000		
Administrative Expenses (Art. 11(n) 2009 ATM)				\$ 150,000		
Leary (Art. 12, April 13 2009 ATM)			\$ 1,659,749			
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						\$ 757,715
LexHAB - Set Aside for Housing Acquisition (Total cost is \$450,000; residual balance is funded from the Community Housing Reserve)						\$ 56,568
Vynebrook Village Drainage Improvements						\$ 364,800
Administrative Expenses						\$ 150,000
subtotal - appropriations	\$ 129,000	\$ 152,500	\$ 1,874,884	\$ 989,000	\$ -	\$ 2,209,787

Close to Year-End Surplus Available for Appropriation	\$ 1,401,000	\$ 3,358,231	\$ -	\$ 935,336	\$ 436,427	\$ 729,513
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Appropriations from Undesignated Fund Balance (year-end surplus available for appropriation)

Hancock-Clarke House Restoration(Art. 9(c) 2008 ATM for Hist. Pres.)		\$ 600,000				
Police Station Repairs (Art. 28, 2006 ATM - for Hist Pres.)	\$ 100,000					
Cary Hall Records Vault (Art. 28, 2006 ATM - for Hist. Pres.)	\$ 60,000					
Fire Station Repairs (Art. 28, 2006 ATM - for Hist. Pres.)	\$ 100,000					
Leary Property (Art. 12, 2009 ATM)			\$ 163,457			
Busa Property, Short term bonding cost (Art. 6, 2009 STM)				\$ 98,000		
Administrative Expenses(Art. 25, 2006 ATM)	\$ 25,000					
Busa Debt Service (Art. 6, 2009 STM) (\$4,197,000 Bond Authorization)					\$ 2,562,100	
Minuteman Bikeway (1/2 appropriation, split with Open Space)					\$ 160,000	
Stormwater Mitigation Old Res./Marrett Road					\$ 190,047	
Center Playfields Drainage - Implementation Phase					\$ 875,173	
FY2011 Administrative Expenses					\$ 150,000	
Center Playfields Drainage						\$ 911,863
Total	\$ 285,000	\$ 600,000	\$ 163,457	\$ 98,000	\$ 3,937,320	\$ 911,863

Total Appropriations	\$ 414,000	\$ 2,091,199	\$ 5,358,138	\$ 2,737,528	\$ 8,196,159	\$ 4,548,897
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Stabilization Fund History

Authorized M.G.L. Ch. 40, Sec. 5, The Town of Lexington's general stabilization fund has grown steadily over the last seven fiscal years. 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.

	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
Beginning Balance	\$ 27,634	\$ 139,797	\$ 961,771	\$ 1,615,947	\$ 4,461,675	\$ 5,672,193	\$ 6,805,815	\$ 7,528,148
Interest Earned	\$ 1,021	\$ 14,652	\$ 50,529	\$ 195,728	\$ 210,518	\$ 133,622	\$ 48,320	\$ 73,223
T.M. Appropriation	\$ 111,142	\$ 807,322	\$ 603,647	\$ 2,650,000	\$ 1,000,000	\$ 1,000,000	\$ 669,843	\$ 710,000
T.M. Withdrawal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 139,797	\$ 961,771	\$ 1,615,947	\$ 4,461,675	\$ 5,672,193	\$ 6,805,815	\$ 7,523,979	\$ 8,311,371
Total General Fund Revenue	\$ 99,491,413	\$ 110,144,605	\$ 117,182,016	\$ 124,113,723	\$ 133,085,712	\$ 134,854,618	\$ 138,988,772	\$ 143,250,392
% of GF Revenue	0.14%	0.87%	1.38%	3.59%	4.26%	5.05%	5.41%	5.80%

Summary of Reserve Fund Transfers

FY 2007-2011

This spreadsheet 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.

	FY 2007		FY 2008		FY 2009		FY 2010		FY 2011	
	Rev. Budget	Actual	Rev. Budget	Actual (YTD)	Budget	Actual	Budget	Actual	Budget	YTD
Reserve Fund	\$ 537,500	\$ 404,626	\$ 469,868	\$ 140,000	\$ 532,500	\$ 532,500	\$ 550,000	\$ 334,401	\$ 950,000	\$ 400,000
Legal		\$ 20,000		\$ 140,000		\$ 32,495				
Public Schools	\$100,000 earmarked for SPED Reserve	\$ 146,020								
General Insurance		\$ 98,284								
Worker's Comp.		\$ 50,000								
Uninsured Losses		\$ 41,252								
Social Services										
Elections		\$ 28,900								
Unemployment										
DPW Utilities										
Highway Expenses							\$ 10,000			
BOS Wages		\$ 3,400								
Police Wages		\$ 16,770								
Fire Wages										
Fire Expenses							\$ 60,000			
Snow Expenses						\$ 500,005	\$ 264,401			
Library Expenses										
Public Facilities										\$ 400,000

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 the Massachusetts Teachers Retirement System. State law requires that retirement systems fully fund their pension liabilities by 2027. Lexington is on track to complete full funding of its liability by 2020.

The following table shows information concerning the Pension Liability.

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Assessment	\$ 3,342,331	\$ 3,449,284	\$ 3,519,578	\$ 3,718,593	\$ 3,798,276	\$ 4,083,286
% Funded	100.5%	90.8%	N/A	N/A	N/A	88.80%
Target Date for 100% Liability Funding	2015	2015	2015	2015	2015	2020

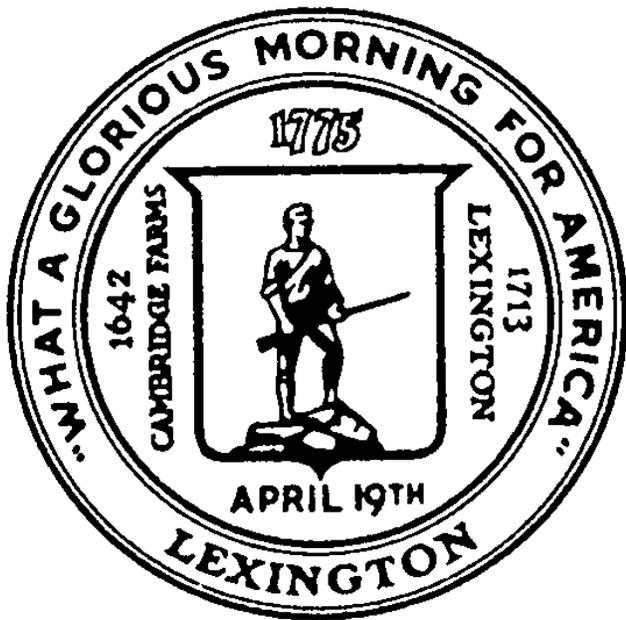
Note: FY2012 Assessment as of January 1, 2010.

Snow & Ice History

The following spreadsheet details snow & ice expenditures for the Town of Lexington over the last thirteen (13) Fiscal Years.

FY	Appropriated Budget	Total Expenses	Covered within Budget	Covered with Supplemental Grants	Raised Deficit in Subsequent Fiscal Year
2010	\$ 737,445	\$ 1,396,285	\$ 658,840		\$ -
2009	\$ 646,925	\$ 2,282,115	\$ 1,533,443		\$ (101,747)
2008	\$ 610,237	\$ 1,645,140	\$ 537,865		\$ (497,038)
2007	\$ 610,173	\$ 759,594	\$ 149,421		\$ -
2006	\$ 600,000	\$ 1,120,337	\$ 378,378		\$ (141,959)
2005	\$ 494,125	\$ 1,741,220	\$ 453,334	\$ 147,073	\$ (646,688)
2004	\$ 297,045	\$ 871,616	\$ 259,171	\$ 133,454	\$ (181,946)
2003	\$ 297,045	\$ 1,187,465	\$ 60,274	\$ 111,000	\$ (719,146)
2002	\$ 297,045	\$ 611,932	\$ 68,933		\$ (245,954)
2001	\$ 297,045	\$ 950,220	\$ 275,302		\$ (377,873)
2000	\$ 285,200	\$ 436,661	\$ 93,264		\$ (58,197)
1999	\$ 285,200	\$ 553,607	\$ 146,234		\$ (122,173)
1998	\$ 283,675	\$ 525,690	\$ 52,023		\$ (189,992)
Total	\$ 5,003,715	\$ 12,685,597	\$ 4,007,642	\$ 391,527	\$ (3,282,713)
2006-2010					
Average	\$ 640,956	\$ 1,440,694	\$ 651,589	\$ -	\$ (148,149)
2001-2010					
Average	\$ 488,709	\$ 1,256,592	\$ 437,496	\$ 130,509	\$ (291,235)

Appendix D: Glossary



Glossary

ABATEMENT - 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 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 item on the Town Warrant requiring action by Town Meeting. 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 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 Massachusetts Department of Revenue- Division of Local Services certifies property values and methodology for determining values.

ASSETS – Cash and investment and the 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 position of a community

BUDGETARY FUND BALANCE (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 rate recapitulation sheet, and unspent appropriations. 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. Free cash is not available for appropriation until certified by the Department of Revenue-Director of Accounts.

BOND - A written promise to pay a specified sum of money, called the face value or principal amount, at specified dates 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 principal payment of debt or to accommodate reimbursement for borrowed notes from a private source or other governmental entity.

BUDGET - A plan of financial operations 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 which: identifies public facility and equipment requirements; places 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 a Transportation Bond Issue for highway construction, preservation and improvement projects that create or extend the life of road 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 receive notification of Cherry Sheet/State Aid shortly after the State budget is signed by the Governor.

COALITION BARGAINING (EMPLOYEE COALITION)- As provided for under MGL Chapter 32B Section 19, the employee group representing all municipal and school unions and authorized to bargain with the Town over health insurance benefits.

THE 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. This maximum amount 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 2010.

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 \$25,000 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 (i.e. vacation time at retirement) 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 attributable to a vote of the electorate. 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 principal and interest on an obligation resulting from the issuance of bonds.

DEPARTMENT – A division of the Town government that has overall management responsibility for an operation or group of related operations within a functional area.

DEPRECIATION – 1) The service life period of capital assets attributable based on wear and tear, deterioration, and inadequacy or 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 financial unit (e.g. Water, Sewer, Recreation). Enterprise funds typically do not depend on taxes for operating revenue as user fee revenue and expenses are balanced over the long run.

EXEMPTION- As provided by State law, property tax reduction for certain low income, elderly, veterans or finished property owners.

EXPENDITURE – Decrease in net financial resources for the purpose of acquiring and providing goods and services. As provided by state regulations, the Town’s general fund reflects expenditures (cash basis of accounting).

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 categories of objects of expenditure: Utilities, Supplies and Materials, Contractual Services, and Equipment. As provided by State law, certain Enterprise funds reflect expenses (accrual basis of accounting).

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 and invested in short term securities. The investment goal is to ensure that all funds are invested. The term of these investments is short-term with limited risk to principal. The Treasurer is 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 received and recognizes expenditures when a commitment is made. In Massachusetts, cities and towns must use this basis for accounting for general government financial operations.

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, the governmental entity responsible for providing

drinking water and treating wastewater for Lexington and greater Boston.

OTHER POST-EMPLOYMENT BENEFITS (OPEB)- Post employment benefits an employee will receive at retirement. In Lexington, this would be health, dental, and life insurance.

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, Meals, and Jet Fuel) - Lexington hotels and motels charge a 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. By local option, the town also levies a 0.75% tax on meals.

OTHER FEES AND CHARGES - Revenue is received from fees or charges by various Town departments. 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 this becomes a permanent addition to the tax levy limit.

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

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 – The portion of the Operating Budget that includes 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 2 ½ - A tax limitation measure passed by Massachusetts voters in 1980 that 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 unless the citizens of the town approve a debt exclusion or an operating override. New construction values however, are in addition to this limit. Two provisions within Proposition 2 ½ 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 groups 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, 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 the 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. Retained Earnings are similar to Free Cash of the General Fund.

REVENUE - Budgetary resources. The various revenues the Town receives are listed in the Revenue section of this document.

REVOLVING FUND- Provided for under MGL Chapter 44 Section 52E ½ , revolving funds typically used for fee-based services and program which may vary, in terms of quantity or demand, from year-to-year. Town Meeting must authorize, but does not appropriate, revolving funds. Expenditures from revolving funds as limited to the amount of revenue collected. A summary of Lexington’s revolving funds can be found in Appendix C of this document.

REVENUE OFFSETS- An expenditure of the Town that does not require Town Meeting appropriation. This would include State Assessments and property tax exemptions. For budget purpose the town shows these expenditures as revenue offsets.

SCHOOL BUILDING AUTHORITY – 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 and bus transportation fees is included in this category.

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 usage. Revenue received from charges is used to fully support the costs of these utility operations, such as Massachusetts Water Resources Authority (MWRA) assessments, debt service obligations, personal service costs, and capital projects. Water/Sewer use charges for services are based on an three-tier block rate structure corresponding to usage. Charges increase 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 dedicated revenues from sources such as the Parking and Cemetery funds.

STABILIZATION FUND – A type of reserve fund allowed Massachusetts General Law Ch.40, Sec. 5B. The treasurer is the custodian of the fund and may invest the proceeds legally; any interest earned remains with the fund. Money from the Stabilization Fund may be appropriated for any lawful purpose by two-thirds vote of Town Meeting.

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 assessed 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 within the statutory limits of 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.