Section IV: Program 2000: Shared Expenses

This section includes detailed information about the FY2017 Operating Budget & Financing Plan for shared expenses. It includes:

- 2100 Employee Benefits and Insurance IV-2
- 2200 Debt Service IV-8
- 2300 Reserve Fund IV-12
- 2400 Public Facilities IV-16

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2100 Employee Benefits & Insurance

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

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

Employee Benefits is comprised of the following:

- Contributory Retirement Assessment: The assessment of the Lexington Contributory Retirement System levied to the Town to finance a portion of retirement benefits of Town and non-teaching School employees. This assessment is issued pursuant to Massachusetts General Laws (MGL) Chapter 32 and is based on an actuarial valuation of the funding obligations of the Lexington Contributory Retirement System. In addition to this assessment, employee contributions - ranging from 5% to 11% depending on 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.

- Employee/Retiree 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.

- Unemployment Compensation: The cost of unemployment payments for eligible employees separated from Town or School Department employment. The Town self-insures for this expense.

- Workers' Compensation: The medical costs incurred by Town and School employees injured on the job, 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 work-related medical claims. The Town largely self-insures for this expense, but purchases premium-based stop loss coverage for extraordinary 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 for uninsured property losses, settlements and deductibles contained in various insurance policies.

Authorized/Appropriated Staffing:

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

Budget Recommendations:

The FY2017 recommended All Funds Employee Benefits and Insurance budget is $33,675,876. This is a $1,163,410 or 3.58% increase from the FY2016 budget. The recommended budget includes the benefits costs (health, dental, life, Medicare and workers' compensation) for all proposed new benefits-eligible municipal positions.

Changes Include:

1. A $250,000, or 4.76% increase in Contributory Retirement based on a funding schedule included in the January 1, 2015 actuarial valuation of the Lexington Retirement System. This schedule would result in full funding of the system's unfunded liability by 2025.

2. A $52,034 or 3.52% increase in the Town's contribution for Medicare Tax based on FY2015 actual costs, projected FY2016 and FY2017 salaries and wages, and historical rates of increase in this tax;

3. An $841,661 or 3.69% increase in the health insurance budget (All Funds). The FY2017 budget is based on an increase of 5.0% in health insurance premiums across all plans; the addition of thirty (30) School positions and one (1) Town position; the projected addition of eighty-two (82) subscribers (new retiree subscribers and active employees currently not enrolled in the Town's plan subscribing in the future including active employees switching from individual to family plans).

4. A $47,446 or 4.73% increase in dental insurance costs (All Funds) based on estimated increase in premium rates of 4% for FY 2017, inclusive all new School and Town positions;

5. A $1,805 or 7.78% increase in life insurance costs based on projected enrollments;

6. Level-funding of unemployment insurance based on a projection of a consistent number of claimants for FY2017;

7. A $104,553 or 16.26% increase in workers' compensation costs based on FY2015 actual experience, the continuation of $100,000 to finance the medical costs of former public safety employees who retired due to work-related injuries; the continuation of efforts to build a reserve balance in this continuing balance account; and stop-loss insurance for all municipal and school positions recommended in the FY17 budget;

8. A $184,357, or 21.43% decrease in the costs of property and liability insurance based on a rebid of the insurance package.

9. A $25,000, or 12.50% increase in the budget for uninsured losses. The balance in this continuing balance account as of December 30, 2015, is $645,198.

2100 Employee Benefits & Insurance

Budget Summary:

Funding Sources (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY2017 Projected	Dollar Increase	Percent Increase
Tax Levy	$ 26,251,085	$ 27,103,518	$ 31,851,497	$ 33,017,811	$ 1,166,314	3.66%
Enterprise Funds (Indirects)	$ 529,739	$ 526,378	$ 572,252	$ 589,420	$ 17,168	3.00%
Directed Funding (Revolving Funds)	$ 79,009	$ 83,502	$ 88,717	$ 68,645	$ (20,072)	-22.62%
Total 2100 Employee Benefits	**$ 26,859,833**	**$ 27,713,398**	**$ 32,512,466**	**$ 33,675,876**	**$ 1,163,410**	**3.58%**

Appropriation Summary (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY2017 Recommended	Dollar Increase	Percent Increase
Compensation	$ -	$ -	$ -	$ -	$ -	-
Benefits	$ -	$ -	$ -	$ -	$ -	-
Expenses	$ 26,859,833	$ 27,713,398	$ 32,512,466	$ 33,675,876	$ 1,163,410	3.58%
Total 2100 Employee Benefits	**$ 26,859,833**	**$ 27,713,398**	**$ 32,512,466**	**$ 33,675,876**	**$ 1,163,410**	**3.58%**

Level-Service Requests (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY2017 Recommended	Dollar Increase	Percent Increase
Total 2110 Contributory Retirement	$ 4,717,542	$ 4,919,154	$ 5,255,537	$ 5,505,537	$ 250,000	4.76%
Total 2120 Non-Contributory Retirement	$ 13,087	$ 13,447	$ 13,810	$ 13,837	$ 27	0.19%
Total 2130 Medicare	$ 1,312,882	$ 1,404,332	$ 1,478,328	$ 1,555,603	$ 77,275	5.23%
Total 2130 Health Insurance General Fund	$ 18,656,684	$ 18,770,557	$ 22,750,714	$ 23,612,444	$ 861,731	3.79%
Total 2130 Health Insurance Non-General Fund	$ 77,833	$ 81,652	$ 85,283	$ 65,213	$ (20,070)	-23.53%
Total 2130 Dental Insurance General Fund	$ 739,287	$ 968,888	$ 998,745	$ 1,046,193	$ 47,448	4.75%
Total 2130 Dental Insurance Non-General Fund	$ 1,176	$ 1,078	$ 3,434	$ 3,432	$ (2)	-0.07%
Total 2130 Life Insurance	$ 18,036	$ 23,222	$ 23,195	$ 25,000	$ 1,805	7.78%
Total 2140 Unemployment	$ 217,608	$ 238,470	$ 200,000	$ 200,000	$ -	0.00%
Total 2150 Workers Compensation	$ 360,179	$ 402,508	$ 643,112	$ 747,665	$ 104,553	16.26%
Total 2160 Property & Liability Insurance	$ 706,487	$ 802,581	$ 860,309	$ 675,952	$ (184,357)	-21.43%
Total 2170 Uninsured Losses	$ 39,033	$ 87,510	$ 200,000	$ 225,000	$ 25,000	12.50%
Total 2100 Employee Benefits	**$ 26,859,833**	**$ 27,713,398**	**$ 32,512,466**	**$ 33,675,876**	**$ 1,163,410**	**3.58%**

Object Code Summary (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY2017 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	$ 93,640	$ 91,365	$ 111,587	$ 112,256	$ 668	0.60%
Overtime	$ -	$ -	$ -	$ -	$ -	-
Compensation	*$ 93,640*	*$ 91,365*	*$ 111,587*	*$ 112,256*	*$ 668*	-
Contractual Services	$ 26,766,193	$ 27,622,033	$ 32,400,879	$ 33,563,620	$ 1,162,741	3.59%
Utilities	$ -	$ -	$ -	$ -	$ -	-
Supplies	$ -	$ -	$ -	$ -	$ -	-
Small Capital	$ -	$ -	$ -	$ -	$ -	-
Expenses	*$ 26,766,193*	*$ 27,622,033*	*$ 32,400,879*	*$ 33,563,620*	*$ 1,162,741*	3.59%
Total 2100 Employee Benefits	**$ 26,859,833**	**$ 27,713,398**	**$ 32,512,466**	**$ 33,675,876**	**$ 1,163,410**	**3.58%**

Approprations Summary (General Fund Only)	FY 2014 Actual	FY 2015 Actual	FY2016 Restated	FY2017 Recommended	Dollar Increase	Percent Increase
Compensation	$ 93,640	$ 91,365	$ 111,587	$ 112,256	$ 668	0.60%
Expenses	$ 26,687,184	$ 27,539,303	$ 32,312,162	$ 33,494,975	$ 1,182,813	3.66%
Total 2100 Employee Benefits	**$ 26,780,824**	**$ 27,630,669**	**$ 32,423,749**	**$ 33,607,231**	**$ 1,183,482**	**3.65%**

Approprations Summary (Non-General Fund)	FY 2014 Actual	FY 2015 Actual	FY2016 Restated	FY2017 Recommended	Dollar Increase	Percent Increase
Compensation				$ -	$ -	-
Expenses	$ 79,009	$ 82,730	$ 88,717	$ 68,645	$ (20,072)	-22.62%
Total 2100 Employee Benefits	**$ 79,009**	**$ 82,730**	**$ 88,717**	**$ 68,645**	**$ (20,072)**	**-22.62%**

Focus on: Health Benefits – Line Item 2130

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

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

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

Table 1: Health Insurance Enrollments (1)

	Actual Subscribers November 2011 (FY 2012)	Actual Subscribers November 2012 (FY 2013)	Actual Subscribers November 2013 (FY 2014)	FY 2016 Budget Based on Actual Subscribers plus Additional Projected Lives shown below	FY 2017 Budget Based on Actual Subscribers plus Additional Projected Lives shown below
				November 2014 (FY 2015)	November 2015 (FY 2016)
Subscribers					
Town					
Individual	72	67	74	81	85
Family	192	186	191	187	176
subtotal	**264**	**253**	**265**	**268**	**261**
School					
Individual	321	317	333	337	358
Family	506	505	506	498	478
subtotal	**827**	**822**	**839**	**835**	**836**
Retirees	1034	1112	1152	1189	1,222
subtotal	**2125**	**2187**	**2256**	**2292**	**2319**
Additional projected lives for budget purposes FY 2017					
Position Vacancies					
Individual				11	8
Family				17	12
subtotal				**28**	**20**
Estimated Open Enrollment / Qualifying Events (2)					
Individual				9	8
Family				16	28
Retirees				20	50
subtotal				**45**	**86**
Total	**2125**	**2187**	**2256**	**2365**	**2425**
New Positions FY 2017					
School (3)				45	30
Municipal				13	1
Facilities Dept.				0	0
subtotal				**58**	**31**
Estimated Reduction in Subscribers FY 2017					
School					
Retirees				(28)	(35)
Total	**2125**	**2187**	**2256**	**2395**	**2421**

(1) The subscriber counts above do not include COBRA subscribers, but includes 9 employees who are not General

(2) The projection shown under open enrollment / qualifying events is based on an assumption of current employees losing coverage on their spouse's plans, and changes in marital status or dependent status.

(3) Based on the school budget and assumes that each full-time equivalent will subscribe to Town's insurance. The cost is estimated at a composite rate based on school personnel enrollment.

Table 2: Health Insurance Budget: FY 2012 - 2017							
	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY2015 Actual	Budgeted FY2016	Projected FY2017	Percentage Increase FY2016 to FY2017
Town (1)	$ 3,679,243	$ 3,397,070	$ 3,577,673	$ 3,540,828	$ 4,190,087	$ 4,010,013	-4.30%
School (2)	$ 10,576,185	$ 9,851,024	$ 9,957,423	$ 9,932,387	$ 12,053,737	$ 12,167,930	0.95%
Retirees	$ 6,976,588	$ 5,026,524	$ 5,364,397	$ 5,207,456	$ 6,390,235	$ 7,035,114	10.09%
Total	$ 21,232,015	$ 18,274,618	$ 18,899,493	$ 18,680,671	$ 22,634,059	$ 23,213,057	2.56%
EdJobs Offset (3)	$ (557,007)	$ -	---	---	---	---	---
Mitigation Fund (4)	$ -	$ 1,120,000	---	---	---	$ 300,000	---
Early Retiree Reinsurance Program (5)			$ (336,492)				
Medicare Part B Penalty (6)	$ -	$ 101,205	$ 93,683	$ 89,886	$ 116,655	$ 99,388	-14.80%
Net Budget Amount	$ 20,675,008	$ 19,495,823	$ 18,656,684	$ 18,770,557	$ 22,750,714	$ 23,612,444	3.79%

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

(2) FY2017 includes costs of benefits for 30 new positions recommended by the Superintendent.

(3) EdJobs was a federal stimulus grant provided to school departments.

(4) Mitigation Fund is a one (1) time cost in FY17 per the agreement between the Town and the Public Employee Committee

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

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

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2200 Debt Service

Mission: To manage the issuance of Town debt in a manner which contains issuance and interest costs and limits large increases or decreases in annual debt service.

Budget Overview: Debt service includes general fund principal and interest payments for levy-supported (non-exempt) debt and temporary borrowing, both authorized by Town Meeting as well as for capital projects being proposed to the 2017 Annual Town Meeting. Also included in these figures are debt issuance costs and interest on abatements. Debt service on water and sewer enterprise projects is shown in elements 3610 and 3710. Debt voted to be exempt from Proposition 2 ½, while not appropriated by Town Meeting, is shown for informational purposes.

Authorized/Appropriated Staffing:

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

2200 Debt Service

Budget Recommendations:

Combined gross FY2017 debt service - inclusive of Within-Levy and Exempt debt service - is increasing by $948,793, or 6.15%.

Within-Levy debt service is decreasing by $13,106, or 0.18%. It should be noted that FY2016 budget is inclusive of a supplemental appropriation of $479,609 voted at the November, 2015 special town meeting to retire a short term note issued to finance the replacement of a fire truck. The original appropriation as adopted at the 2015 Annual Town Meeting was $6,732,527, which was mitigated by $620,567 from the Capital Stabilization Fund yielding net debt service of $6,111,960. FY17 debt service is recommended at $7,199,028 which is inclusive of one project that will be funded with new revenue. Debt Service net of this project is $7,127,508, which when mitigated with the proposed use of $710,000 in Capital Stabilization Funds, yields an increase in net debt service of 5% which is the target rate of increase used in managing within-levy debt service. The FY17 proposed capital projects are described in greater detail in the Section XI: Capital Investment in this book.

FY16 gross exempt debt service was $8,539,697, which was mitigated by $215,000 from the Capital Stabilization Fund yielding net debt service of $8,324,697. FY17 gross exempt debt service is projected at $9,164,780. If no mitigation is applied, this yields an increase of $840,084, or 10.09%. The increase in debt service is driven by project costs to finance various school projects to address growing enrollment as well the prospective acquisition of a property on Pelham Road. These projects are described in greater detail in debt Section XI: Capital Investment. For the purpose of this exempt debt estimate, it is assumed that the various school projects and acquisition of the Pelham Road property will be placed on a debt exclusion ballot by the Board of Selectmen and approved by the voters.

2200 Debt Service

Budget Summary:

Funding Sources (All Funds)	FY2014 Actual	FY2015 Estimated	FY2016 Estimated	FY 2017 Recommended	Dollar Increase	Percent Increase
Tax Levy	$ 13,937,650	$ 15,103,973	$ 15,415,016	$ 16,363,809	$ 948,793	6.15%
Enterprise Funds (Indirects)	$ -	$ -	$ -	$ -	$ -	0.00%
Fees & Charges	$ -	$ -	$ -	$ -	$ -	0.00%
Total 2200 Debt Service	**$ 13,937,650**	**$ 15,103,973**	**$ 15,415,016**	**$ 16,363,809**	**$ 948,793**	**6.15%**

Appropriation Summary (All Funds)	FY2014 Actual	FY2015 Actual	FY2016 Estimated	FY 2017 Recommended	Dollar Increase	Percent Increase
Compensation	$ -	$ -	$ -	$ -	$ -	-
Expenses	$ 13,937,650	$ 15,103,973	$ 15,415,016	$ 16,363,809	$ 948,793	6.15%
Total 2200 Debt Service	**$ 13,937,650**	**$ 15,103,973**	**$ 15,415,016**	**$ 16,363,809**	**$ 948,793**	**6.15%**

Level-Service Requests (Within Levy Debt)	FY2014 Actual	FY2015 Actual	FY2016 Estimated	FY 2017 Recommended	Dollar Increase	Percent Increase
Total 2210 Within-Levy Principal	$ 4,657,772	$ 5,490,412	$ 5,169,842	$ 5,904,336	$ 734,494	14.21%
Total 2220 Within Levy Interest	$ 694,599	$ 971,079	$ 939,550	$ 1,039,068	$ 99,519	10.59%
Total 2230 Temporary Borrowing[1]	$ 57,625	$ 61,790	$ 1,102,743	$ 255,624	$ (847,119)	-76.82%
Total 2200 Within-Levy Debt Service	**$ 5,409,996**	**$ 6,523,281**	**$ 7,212,135**	**$ 7,199,028**	**$ (13,106)**	**-0.18%**
Use of Capital Stabilization Fund to mitigate debt service impacts of LHS modular buildings construction and other	$ -	$ (919,000)	$ (620,567)	$ (710,000)	$ (89,433)	14.41%
Net 2200 Within-Levy Debt Service	**$ 5,409,996**	**$ 5,811,641**	**$ 6,732,527**	**$ 6,489,028**	**$ (243,498)**	**-3.62%**

Level-Service Requests (Exempt Debt)	FY2014 Actual	FY2015 Actual	FY2016 Estimated	FY 2017 Recommended	Dollar Change	Percent Change
Total 2200 Exempt Debt Service	**$ 8,527,654**	**$ 8,373,332**	**$ 8,539,697**	**$ 9,164,780**	**$ 625,084**	**7.32%**
Use of tax levy (FY2013) and Capital Stabilization Fund (FY2014-FY2016) to mitigate debt service impacts of Bridge/Bowman and Estabrook Projects	$ 1,600,000	$ 950,000	$ 215,000	$ -	$ (215,000)	-100.00%
Net 2200 Exempt Debt Service	**$ 6,927,654**	**$ 7,423,332**	**$ 8,324,697**	**$ 9,164,780**	**$ 840,084**	**10.09%**

Total 2200 Debt Service	**$ 13,937,650**	**$ 15,103,973**	**$ 15,415,016**	**$ 16,363,809**	**$ 948,793**	**6.15%**

Object Code Summary (All Funds)	FY2014 Actual	FY2015 Actual	FY2016 Estimated	FY 2017 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	$ -	$ -	$ -	$ -	$ -	0.00%
Overtime	$ -	$ -	$ -	$ -	$ -	0.00%
Compensation	*$ -*	*$ -*	*$ -*	$ -	$ -	*0.00%*
Contractual Services	$ 13,937,650	$ 15,103,973	$ 15,415,016	$ 16,363,809	$ 948,793	6.15%
Utilities	$ -	$ -	$ -	$ -	$ -	0.00%
Supplies	$ -	$ -	$ -	$ -	$ -	0.00%
Small Capital	$ -	$ -	$ -	$ -	$ -	0.00%
Expenses	*$ 13,937,650*	*$ 15,103,973*	*$ 15,415,016*	$ 16,363,809	$ 948,793	*8.34%*
Total 2200 Debt Service	**$ 13,937,650**	**$ 15,103,973**	**$ 15,415,016**	**$ 16,363,809**	**$ 948,793**	**6.15%**

[1]FY2016 adjusted for additional appropriation of $479,609 voted at the November, 2015 STM #2 to retire a short term note issued to finance the purchase of a Fire Truck replacement.

2300 Reserve Fund

Mission: To provide for extraordinary and unforeseen expenses.

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

Authorized/Appropriated Staffing:

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

2300 Reserve Fund

Budget Recommendations:

The FY2017 Town Manager's recommendation for the Reserve Fund is $900,000, which represents no increase over the FY2016 appropriation.

2300 Reserve Fund

Budget Summary:

Funding Sources	FY2014 Actual	FY2015 Estimated	FY2016 Estimated	FY2017 Projected	Dollar Increase	Percent Increase
Tax Levy	$ -	$ -	$ 900,000	$ 900,000	$ -	0.00%
Enterprise Funds (Indirects)	$ -	$ -	$ -	$ -	$ -	0.00%
Directed Funding (Revolving Funds)	$ -	$ -	$ -	$ -	$ -	0.00%
Total 2300 Reserve Fund	**$ -**	**$ -**	**$ 900,000**	**$ 900,000**	**$ -**	**0.00%**

Appropriation Summary	FY2014 Actual	FY2015 Appropriation	FY2016 Appropriation	FY2017 Recommended	Dollar Increase	Percent Increase
Compensation	$ -	$ -	$ -	$ -	$ -	0.00%
Expenses	$ -	$ -	$ 900,000	$ 900,000	$ -	0.00%
Total 2300 Reserve Fund	**$ -**	**$ -**	**$ 900,000**	**$ 900,000**	**$ -**	**0.00%**

Level-Service Requests	FY2014 Actual	FY2015 Appropriation	FY2016 Appropriation	FY2017 Recommended	Dollar Increase	Percent Increase
Total 2300 Reserve Fund	$ -	$ -	$ 900,000	$ 900,000	$ -	0.00%
Total 2300 Reserve Fund	**$ -**	**$ -**	**$ 900,000**	**$ 900,000**	**$ -**	**0.00%**

Object Code Summary	FY2014 Actual	FY2015 Appropriation	FY2016 Appropriation	FY2017 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	$ -	$ -	$ -	$ -	$ -	0.00%
Overtime	$ -	$ -	$ -	$ -	$ -	0.00%
Compensation	*$ -*	*$ -*	*$ -*	*$ -*	*$ -*	*0.00%*
Contractual Services	$ -	$ -	$ 900,000	$ 900,000	$ -	0.00%
Utilities	$ -	$ -	$ -	$ -	$ -	0.00%
Supplies	$ -	$ -	$ -	$ -	$ -	0.00%
Small Capital	$ -	$ -	$ -	$ -	$ -	0.00%
Expenses	*$ -*	*$ -*	*$ 900,000*	*$ 900,000*	*$ -*	*0.00%*
Total 2300 Reserve Fund	**$ -**	**$ -**	**$ 900,000**	**$ 900,000**	**$ -**	**0.00%**

Note: The FY2014 and FY2015 budgets for the Reserve Fund were $900,000 in each year. In FY2014, a total of $118,000 was transferred for supplemental funding of property and liability insurance ($76,000) and for Patriot's Day security ($42,000). In FY2015, a total of $289,620 was transferred for supplemental funding for Economic Development contractual services ($69,120), Economic Development part-time wages ($17,500), Economic Development supplies ($17,500), Board of Health contractual services ($11,500), Facilities Capital - LHS Modular Classrooms ($150,000), and Board of Selectmen legal services ($24,000). The Economic Development transfers were in support of the Town's assumption of operations of the Lexington Visitor Center in September of 2014.

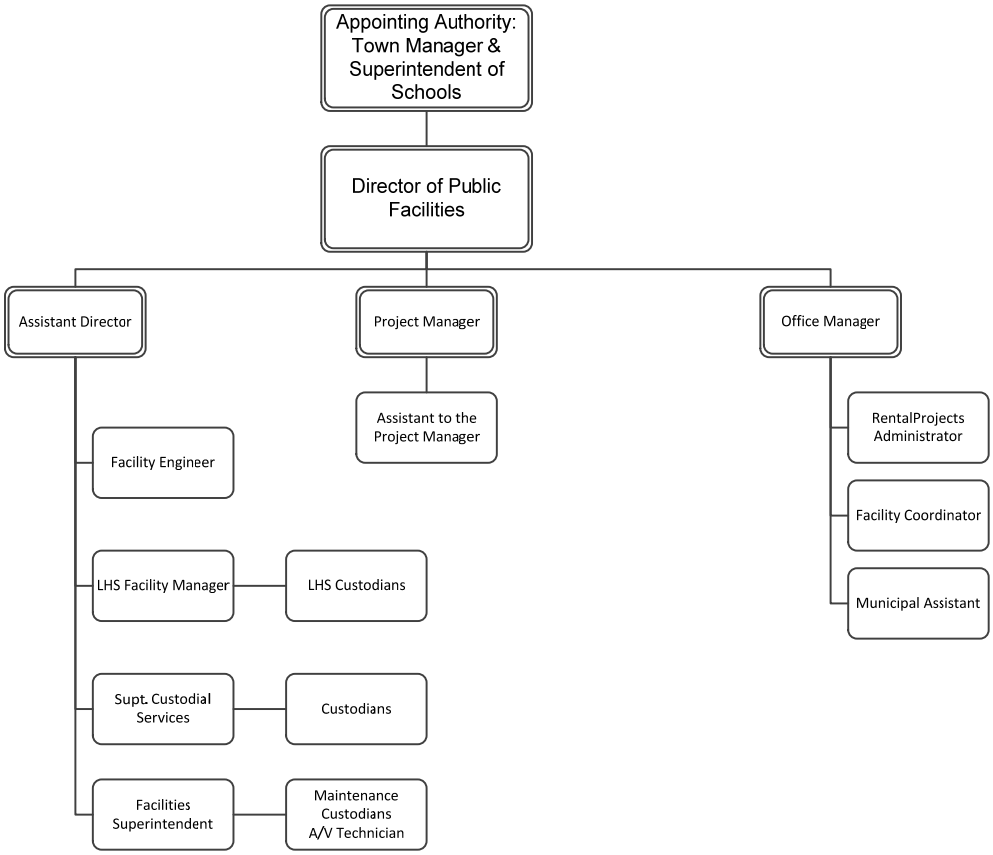
2400 Public Facilities

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

Departmental Initiatives:

1. Support the operation of the Community Center.
2. Support the School Master Planning process.
3. Implement other priority projects.



2400 Public Facilities

Authorized/Appropriated Staffing

School Facilties 2410	FY 2014 Budget	FY 2015 Budget	FY 2016 Budget	FY 2017 Recommended
Maintenance Staff [1]	10	10	11	11
Custodian [2]	48	48	48	49
Sub-total FTE	58	58	59	60
Municipal Facilities 2420				
Superintendent	0	0	0	0
Foreman [3]	1	1	0	0
Technician [4]	1	1	0	0
Custodian [5]	9	9	10	10
Sub-total FTE	11	11	10	10
Shared Facilities 2430				
Administrative Asst - Facility Coordinator	1	1	1	1
Administrative Asst - Clerical/ Rental Administrator	1	1	1	1
Office Manager	1	1	1	1
Municipal Assistant - Part time	0.5	0.5	0.5	0.5
Director of Public Facilties	1	1	1	1
Assistant Director of Public Facilties	1	1	1	1
Superintendent of Custodial Services	1	1	1	1
Project Mananger	1	1	1	1
Facility Superintendent	1	1	1	1
Facility Engineer	1	1	1	1
Event Manager [6]	1	1	1	1
LHS Facility Manager	1	1	1	1
Sub-total FTE [7]	11.5	11.5	11.5	11.5
Total FTE	**80.5**	**80.5**	**80.5**	**81.5**

Notes:

[1] Two additional maintenance staff in FY 2014, funded from a reduction in contractual services (plumbing and carpentry) and due to new contract language that licensed staff can work in all DPF managed buildings.

[2] FY17 includes 1 additional staff at LHS resulting from two prefab buildings.

[3] Foreman position replaced by Head Custodian position.

[4] Municipal Technician replaced by Electrican in School (townwide) Maintenance Staff

[5] Three additional staff funded in FY14 to maintain the property at 39 Marret Road, the Community Center site.

[6] Event Manager hours increased to full time.

[7] FTE count does not include full time Assistant Project Manager expensed to construction projects

2400 Public Facilities

Budget Recommendations:

The FY2017 recommended All Funds Department of Public Facilities budget inclusive of the General Fund operating budget, the Building Rental Revolving Fund and the PEG Access Revolving Fund is $10,463,877. The recommended budget is a $56,137, or 0.53% decrease from the FY2016 budget.

The Department of Public Facilities FY2017 recommended General Fund operating budget – inclusive of the Education Facilities, Municipal Facilities and Shared Facilities divisions - is $9,984,116, which is a $94,515, or 0.94% decrease from the FY2016 General Fund budget.

The General Fund operating budget for Compensation is $5,002,406, and reflects a $141,012, or 2.90% increase, which is attributable to the cost of prospective step increases and prospective cost-of-living adjustments.

The General Fund operating budget for Expenses is $4,981,710 and reflects a $235,527, or 4.51% decrease which is, in large part, driven by reductions in utility costs for natural gas, electricity and other fuels and a reduction in small capital of $86,000 from the one-time FY2016 purchase of an aerial bucket truck.

The FY17 Facilities Department recommended PEG Access Revolving Fund request is $20,926 which is effectively level funding of the FY16 budget. The Board of Selectmen budget includes additional spending associated with the PEG Revolving Fund. The Building Rental Revolving Fund request is $458,835, an increase of $37,969, or 9.02%, which is primarily attributed to prospective increases in wages for staff and benefits charged to this account and increases in utility costs.

Program Improvement Requests:

	Request			Recommended			
Description	Salaries and Expenses	Benefits (to be budgeted under Shared Expenses	Total Requested	Salaries and Expenses	Benefits (to be budgeted under Shared Expenses)	Total	Not Recommended
NONE REQUESTED							

2400 Public Facilities

Budget Summary:

Funding Sources (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Estimated	FY 2017 Projected	Dollar Increase	Percent Increase
Tax Levy	$ 9,836,554	$ 10,047,537	$ 10,253,554	$ 10,175,520	$ (78,034)	-0.76%
Revolving Funds						
Building Rental Revolving Fund	$ 241,563	$ 235,213	$ 258,256	$ 272,211	$ 13,954	5.40%
PEG Revolving Fund	$ 2,728	$ 13,970	$ 8,204	$ 16,146	$ 7,942	96.81%
Total 2400 Public Facilities	**$ 10,080,844**	**$ 10,296,720**	**$ 10,520,014**	**$ 10,463,877**	**$ (56,137)**	**-0.53%**

Appropriation Summary (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY 2017 Recommended	Dollar Increase	Percent Increase
Compensation	$ 4,724,112	$ 4,925,160	$ 5,119,651	$ 5,274,617	$ 154,966	3.03%
Expenses	$ 5,354,004	$ 5,367,065	$ 5,387,237	$ 5,169,710	$ (217,527)	-4.04%
Benefits	$ 2,728	$ 4,495	$ 13,126	$ 19,550	$ 6,424	48.94%
Total 2400 Public Facilities	**$ 10,080,844**	**$ 10,296,720**	**$ 10,520,014**	**$ 10,463,877**	**$ (56,137)**	**-0.53%**

Program Summary (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY 2017 Recommended	Dollar Increase	Percent Increase
Education Facilities	$ 7,206,946	$ 7,385,377	$ 7,318,860	$ 7,334,998	$ 16,138	0.22%
Municipal Facilities	$ 1,793,617	$ 1,754,897	$ 1,954,776	$ 1,919,262	$ (35,514)	-1.82%
Shared Facilities	$ 1,080,281	$ 1,156,446	$ 1,246,378	$ 1,209,616	$ (36,762)	-2.95%
Total 2400 Public Facilities	**$ 10,080,844**	**$ 10,296,720**	**$ 10,520,014**	**$ 10,463,877**	**$ (56,137)**	**-0.53%**

Object Code Summary (All Funds)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY 2017 Recommended	Dollar Increase	Percent Increase
Salaries & Wages	$ 4,198,034	$ 4,383,139	$ 4,699,756	$ 4,832,909	$ 133,152	2.83%
Overtime	$ 526,078	$ 542,021	$ 419,894	$ 441,708	$ 21,814	5.20%
Personal Services	*$ 4,724,112*	*$ 4,925,160*	*$ 5,119,651*	*$ 5,274,617*	$ 154,966	*3.03%*
Contractual Services	$ 1,343,433	$ 1,386,048	$ 1,348,060	$ 1,346,560	$ (1,500)	-0.11%
Utilities	$ 3,205,852	$ 3,194,209	$ 3,091,977	$ 2,976,430	$ (115,547)	-3.74%
Supplies	$ 699,331	$ 685,871	$ 732,200	$ 717,720	$ (14,480)	-1.98%
Small Capital	$ 105,389	$ 100,937	$ 215,000	$ 129,000	$ (86,000)	-40.00%
Expenses	*$ 5,354,004*	*$ 5,367,065*	*$ 5,387,237*	*$ 5,169,710*	$ (217,527)	*-4.04%*
Benefits	*$ 2,728*	*$ 4,495*	*$ 13,126*	*$ 19,550*	$ 6,424	*48.9%*
Total 2400 Public Facilities	**$ 10,080,844**	**$ 10,296,720**	**$ 10,520,014**	**$ 10,463,877**	**$ (56,137)**	**-0.53%**

Appropriations Summary (General Fund Only)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY 2017 Recommended	Dollar Increase	Percent Increase
Compensation	$ 4,482,549	$ 4,689,947	$ 4,861,394	$ 5,002,406	$ 141,012	2.90%
Expenses	$ 5,184,464	$ 5,204,527	$ 5,217,237	$ 4,981,710	$ (235,527)	-4.51%
Total 2400 Public Facilities	**$ 9,667,013**	**$ 9,894,474**	**$ 10,078,631**	**$ 9,984,116**	**$ (94,515)**	**-0.94%**

Appropriations Summary (Non-General Fund)	FY 2014 Actual	FY 2015 Actual	FY 2016 Appropriated	FY 2017 Recommended	Dollar Increase	Percent Increase
Building Rental Revolving Fund	**$ 390,557**	**$ 388,276**	**$ 420,866**	**$ 458,835**	**$ 37,969**	**9.02%**
Personal Services	$ 218,288	$ 221,243	$ 242,663	$ 256,065	$ 13,402	5.52%
Benefits	$ 2,728	$ 4,495	$ 8,204	$ 14,770	$ 6,566	80.04%
Expenses	$ 169,541	$ 162,538	$ 170,000	$ 188,000	$ 18,000	-
PEG Revolving Fund	**$ 23,274**	**$ 13,970**	**$ 20,516**	**$ 20,926**	**$ 410**	**2.00%**
Personal Services	$ 23,274	$ 13,970	$ 15,594	$ 16,146	$ 552	**3.54%**
Benefits	$ -	$ -	$ 4,922	$ 4,780	$ (143)	**-2.90%**
Total 2400 Public Facilities	**$ 413,831**	**$ 402,246**	**$ 441,382**	**$ 479,761**	**$ 38,378**	**8.70%**