



Budget Collaboration-Financial Summit 3
December 11, 2014
7:00 p.m.
Public Services Building Cafeteria
Agenda

- 1. Continue FY15 Tax Classification Hearing and Setting of the Tax Rate**
- 2. Proposed FY16 Revenue Allocation Model**
- 3. Preliminary Discussion of FY16 Capital Budget**
- 4. Update on School Master Plan**
- 5. Tentative Date: Budget Collaboration/Summit 4 – January 15, 2015**
- 6. Executive Session: Exemption 6 – Fire Station/Public Safety Site Options Update**

FY2016 Proposed Revenue Allocation

\$ 192,981,462 Projected FY2016 Revenues

(1)	\$ (86,623,929)	FY2015 school budget
(2)	\$ (31,957,311)	FY2015 municipal budget
(3)	\$ (1,300,000)	FY2016 Minuteman
(4)	\$ (5,255,537)	FY2016 Contributory Retirement
(5)	\$ (13,810)	FY2016 Non-Contributory Retirement
(6)	\$ (23,919,102)	FY2016 Benefits
(7)	\$ (200,000)	FY2016 Unemployment comp
(8)	\$ (620,000)	FY2016 Workers' comp
(9)	\$ (860,309)	FY2016 Property and Liability Insurance
(10)	\$ (200,000)	FY2016 Uninsured Lossess
(11)	\$ (6,778,150)	FY2016 Debt Service
(12)	\$ (900,000)	FY2016 Reserve Fund
(13)	\$ (9,911,631)	FY2016 Facilities Department Budget
(14)	\$ (14,346,134)	Set-Aside for Designated Uses: set-aside for unanticipated FY15 needs (\$200,000); set-aside for potential reduction in federal/state grants (\$110,000); set-aside to mitigate the debt service impact of LHS modular classroom financing (\$676,000); appropriation into Capital Project/Debt Service Reserve/Building Renewal Stabilization Fund (\$6,525,035); cash capital (\$2,500,000); appropriation to OPEB Trust (\$1,862,194); Street Improvement Program (\$2,270,145); Municipal Building Envelope and Systems Program (\$182,760); and, Senior Work-Off Program (\$20,000).

(15) \$ 10,095,550 Incremental Revenue

(16)	73.1%	FY15 School Spending as % of FY15 general fund budget exclusive of Shared Expenses and Minuteman.
(17)	26.9%	FY15 Municipal Spending as % of FY15 general fund budget exclusive of Shared Expenses and Minuteman.
(18)	\$ 7,374,827	School Share of incremental FY2016 revenue (8.5% increase over FY15 School Budget)
(19)	\$ 2,720,722	Municipal Share of incremental FY2016 revenue (8.5% increase over FY15 Municipal Budget)



Town of Lexington - FY 2016 Budget
FY 2016 Preliminary Capital Projects

TABLE I: FY2016 PROJECTS - GENERAL FUND DEBT

		AMOUNT FINANCED	TERM	INTEREST RATE	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	
MUNICIPAL PROJECTS											
1	Parking Meter Replacement (\$500,000)	\$ -	5	4.0%							
2	Fire Pumper (\$500,000)	\$ -	5	4.0%							
3	Fire Station Design	TBD	10	4.0%		TBD	TBD	TBD	TBD	TBD	
4	Cary Library Internal Reconfiguration (\$375,000)	\$ -	5	4.0%							
5	Software (Police & Fire/EMS)	\$ 253,000	5	4.0%		\$ 5,060	\$ 60,720	\$ 58,696	\$ 56,672	\$ 54,648	
6	Center Streetscape Improvements	\$ 4,000,000	10	4.0%		\$ -	\$ 80,000	\$ 560,000	\$ 544,000	\$ 528,000	
7	Equipment Replacement (\$770,000)	\$ 469,000	10	4.0%		\$ 9,380	\$ 65,660	\$ 63,784	\$ 61,908	\$ 60,032	
8	Storm Drainage Improvements and NPDES compliance	\$ 194,425	10	4.0%		\$ 3,889	\$ 27,220	\$ 26,442	\$ 25,664	\$ 24,886	
9	Comprehensive Watershed Storm Water Management Study and Implementation	\$ 390,000	10	4.0%		\$ 7,800	\$ 54,600	\$ 53,040	\$ 51,480	\$ 49,920	
10	Sidewalk Improvement	\$ 600,000	5	4.0%		\$ 12,000	\$ 144,000	\$ 139,200	\$ 134,400	\$ 129,600	
11	Town Wide Culvert Replacement	\$ 100,000	10	4.0%		\$ 2,000	\$ 14,000	\$ 13,600	\$ 13,200	\$ 12,800	
12	Hartwell Avenue Infrastructure Improvements	\$ 4,750,000	10	4.0%		\$ -	\$ 95,000	\$ 665,000	\$ 646,000	\$ 627,000	
13	Hastings Park Underground Wires	\$ 300,000	10	4.0%		\$ 6,000	\$ 42,000	\$ 40,800	\$ 39,600	\$ 38,400	
14	Lincoln Park Field Improvements (Total project cost=\$650,000)	\$ 236,500	10	4.0%		\$ 4,730	\$ 33,110	\$ 32,164	\$ 31,218	\$ 30,272	
	Subtotal	\$ 11,292,925				\$ 50,859	\$ 616,310	\$ 1,652,726	\$ 1,604,142	\$ 1,555,558	
FACILITIES PROJECTS											
1	Renovation & Update of Diamond Kitchen and Cafeteria	\$ 1,100,000	10	4.0%		\$ 22,000	\$ 154,000	\$ 149,600	\$ 145,200	\$ 140,800	
2	Clarke Middle School Circulation and Parking Improvements	\$ 363,000	5	4.0%		\$ 7,260	\$ 87,120	\$ 84,216	\$ 81,312	\$ 78,408	
3	LHS Phase 2 Overcrowding Completion	\$ 90,200	5	4.0%		\$ 1,804	\$ 21,648	\$ 20,926	\$ 20,205	\$ 19,483	
4	Public Facilities Mechanical/Electrical System Replacements	\$ 463,000	5	4.0%		\$ 9,260	\$ 111,120	\$ 107,416	\$ 103,712	\$ 100,008	
5	Elementary School Short Term Capacity Increase (Modular Classrooms)	TBD	10	4.0%		TBD	TBD	TBD	TBD	TBD	
6	Lexington Public School Educational Capacity Increase - Design	\$ 1,000,000	10	4.0%		\$ 20,000					
7	LHS Heating Systems Upgrade Phases 2 & 3 - Design	\$ 518,000	10	4.0%		\$ 10,360					
	Subtotal	\$ 3,534,200				\$ 70,684	\$ 373,888	\$ 362,158	\$ 350,429	\$ 338,699	
SCHOOL PROJECTS											
1	LPS Technology Capital Request	\$ 1,378,000	5	4.0%		\$ 27,560	\$ 330,720	\$ 319,696	\$ 308,672	\$ 297,648	
2	Additional Time Clock System Funds	\$ 208,000	5	4.0%		\$ 4,160	\$ 49,920	\$ 48,256	\$ 46,592	\$ 44,928	
	Subtotal	\$ 1,586,000				\$ 31,720	\$ 380,640	\$ 367,952	\$ 355,264	\$ 342,576	
	TOTAL LEVY SUPPORTED GROSS DEBT SERVICE	\$ 16,413,125				\$ 153,263	\$ 1,370,838	\$ 2,382,836	\$ 2,309,835	\$ 2,236,834	
AUTHORIZED LEVY SUPPORTED DEBT SERVICE					FY14	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
A	Subtotal - Approved and Issued Levy Supported Debt Service					\$ 5,175,914	\$ 4,346,546	\$ 3,131,705	\$ 2,485,904	\$ 1,621,341	
B	Subtotal - Estimated Debt Service - Approved and Unissued Levy Supported Debt Service (short and long-term debt)					\$ 1,318,209	\$ 2,016,893	\$ 1,954,538	\$ 1,892,183	\$ 1,829,828	
C	Summary - Debt Service on authorized debt					\$ 6,494,123	\$ 6,363,440	\$ 5,086,244	\$ 4,378,087	\$ 3,451,170	
D	Subtotal - Projected New Levy Supported Net Debt Service					\$ 153,263	\$ 1,370,838	\$ 2,382,836	\$ 2,309,835	\$ 2,236,834	
E	Subtotal - Other Debt-related costs					\$ 130,764	\$ 135,341	\$ 140,078	\$ 144,981	\$ 150,055	
F	TOTAL - PROJECTED LEVY SUPPORTED DEBT SERVICE				\$ 5,534,823	\$ 6,730,641	\$ 6,778,150	\$ 7,869,618	\$ 7,609,158	\$ 6,832,903	\$ 5,838,058
G	PROPOSED USE OF STABILIZATION FUNDS TO MITIGATE DEBT SERVICE IMPACTS OF LHS MODULAR BUILDINGS CONSTRUCTION PROJECT					\$ (919,000)	\$ (676,000)	\$ (1,462,500)	\$ (882,000)		
H	PROJECTED NET LEVY SUPPORTED DEBT SERVICE					\$ 5,811,641	\$ 6,102,150	\$ 6,407,118	\$ 6,727,158	\$ 6,832,903	\$ 5,838,058
	% Change Gross Debt Service					21.6%	0.71%	16.10%	-3.31%	-10.20%	-14.56%
	% Change net of Modular Mitigation					5.0%	5.00%	5.00%	5.00%	1.57%	-14.56%