

REPORT
of the
FINANCE COMMITTEE
of the
TOWN OF LINCOLN
for the
FISCAL YEAR
JULY 1, 2008 - JUNE 30, 2009

LINCOLN FINANCE COMMITTEE

Paul E. Giese

Stuart Haber

Mary Hartman

John L. Koenig

John D. Robinson

Ellen Meyer Shorb

Robert Steinbrook, Chair

Table of Contents

1. Introduction.....4

2. Overview.....4

3. Revenues.....6

4. Operating Expenditures.....7

5. Capital Expenditures.....8

6. Community Preservation Act.....9

7. Property Tax.....11

8. Looking Forward.....11

9. Departmental Budgets

 General Government.....13

 Public Safety.....14

 Education:

 Lincoln Public Schools.....15

 Lincoln-Sudbury Regional High School.....17

 Minuteman Regional High School.....20

 Public Works and Facilities.....21

 Human Services.....22

 Recreation, Conservation, Land and Celebrations.....23

 Library.....25

 Debt Service.....26

 Pensions & Insurance.....27

 Water Department.....28

10. Appendix

 Table 1: Fiscal Detail FY '07– FY '09.....29

11. Outline of Town Meeting Procedures.....

12. Warrant Articles

13. Glossary.....

1. Introduction

The Finance Committee is charged with advising and making recommendations to Town Meeting on the budget and other areas of finance, and administering the Town's reserve fund. The committee seeks to develop an overall budget that is fiscally prudent, that reflects the Town's values, and that meets the needs of residents. It also seeks to obtain broad public understanding and support for the budget that it recommends at Town Meeting.

In our annual report, we describe the FY '09 budget and its component parts, and provide supporting detail. Building the budget is a collaborative endeavor and the Finance Committee works closely with many boards and committees. Among many others, we thank Lincoln Town Administrator Tim Higgins, Assistant Town Administrator Anita Scheipers, Finance Director Colleen Wilkins, Lincoln Public Schools Administrator for Business and Finance Buck Creel, and Lincoln-Sudbury Regional High School Director of Finance and Operations Judy Belliveau.

2. Overview

For FY '09, the Finance Committee is recommending a budget of \$28,141,257, which represents a 5.4% increase compared to FY '08. Because the Town's financial position is strong and emergency reserves are at the desired level, the budget can be funded without an operating override.

For FY '09, the property taxes on an average house (assessed value of \$1.05 million) would increase by about \$556 (5.1%) with the proposed budget. In addition, debt exclusions for the road project and a new fire truck would increase the property taxes for an average home by about an additional \$25 in FY '09. With the full impact of this debt, property taxes for an average home would increase by about \$425 (\$410 for the road project and \$15 for the fire truck). However, this increase will be offset by the end of payments for the construction in 1996 at the Lincoln Public Schools. The last payment--\$1,030,000--for school construction will be made in FY '09, and the debt will be retired.

The Town budget reflects local needs and available funds in the context of the economic and political conditions of the Commonwealth and the United States. The budget is heavily dependent on residential real estate taxes (the tax levy and excluded debt). In 2001, this accounted for 68% of revenue. In FY '09, real estate taxes (tax levy plus excluded debt) are projected to account for about 73.5% of revenue. The Town has a small number of commercial properties. There are relatively few opportunities to increase local revenues, although the Town actively seeks to identify possible sources. State aid to Lincoln increased in FY '08; however, as a percentage of the Town's revenue it has generally decreased over time. Although the FY '09 state budget is not yet known, the Town has projected that state aid will increase by 3%.

The Finance Committee builds the budget by reviewing available funds and revenue projections and setting aside funds for fixed costs, such as pensions and insurance. This process, which the committee calls a "funds available analysis," results in a budget guideline for the base budget. In FY '09, this guideline permitted initially permitted 3% growth in operating expenses, exclusive of fixed costs. After Free Cash was certified at \$3,084,568 (as compared to \$2,593,009 in FY '08), the Finance Committee was able to meet the preferred budget requests of the Lincoln Public Schools, the Town, and the Library (\$80,000, \$70,650, and \$22,744, respectively, total of \$173,394) from available Free Cash. It also adjusted the budget guideline for Lincoln-Sudbury Regional High School to 3.22%, which synchronized the Lincoln share of the high school budget with the budget proposed by the Lincoln-Sudbury School Committee.

At Town Meeting, Warrant Article 8 would allow Lincoln to provide the full amount of its proposed assessment to the high school (which assumes that Sudbury will pass a \$2.7 million override) if Sudbury either does not pass an override or passes a \$1.7 million override. The grant to the high school would be \$110,041 if Sudbury does not pass an override and \$32,881 if Sudbury passes a \$1.7 million override. If this article is not approved, and Sudbury either passes no override or a \$1.7 million override, Lincoln's assessment would decrease.

In addition to the operating budget (Warrant Article 7) and capital budget (Warrant Articles 9-20), Town Meeting will consider other appropriations (Warrant Articles 21-34). The Finance Committee takes these other appropriations into account when determining the funds available for the base and capital budgets. Items recommended for bonding and debt exclusion (Warrant Articles 21 and 22) do not affect the available funds.

The Finance Committee places a high priority on maintaining adequate Emergency Reserves. Emergency Reserves allow unforeseen changes in revenues or needed expenditures to be addressed without undue disruption of ongoing activities. It also places a high priority on maintaining the Town's favorable bond rating which reduces its costs of borrowing money and is the result of prudent financial management. Lincoln has a bond rating from S & P of AAA, the highest available rating.

The committee's goal is to set aside an amount equal to 3 to 5% of the prior year's General Fund budget as Emergency Reserves. (The General Fund budget is the Town operating budget less the total for the Water Enterprise Fund as shown in Table 1) The Emergency Reserves are defined as the total of no more than half of the Reserve Fund, a Stabilization Fund, if one has been established and unspent certified Free Cash. It is desirable that the 3% minimum be set aside entirely from unspent certified Free Cash.

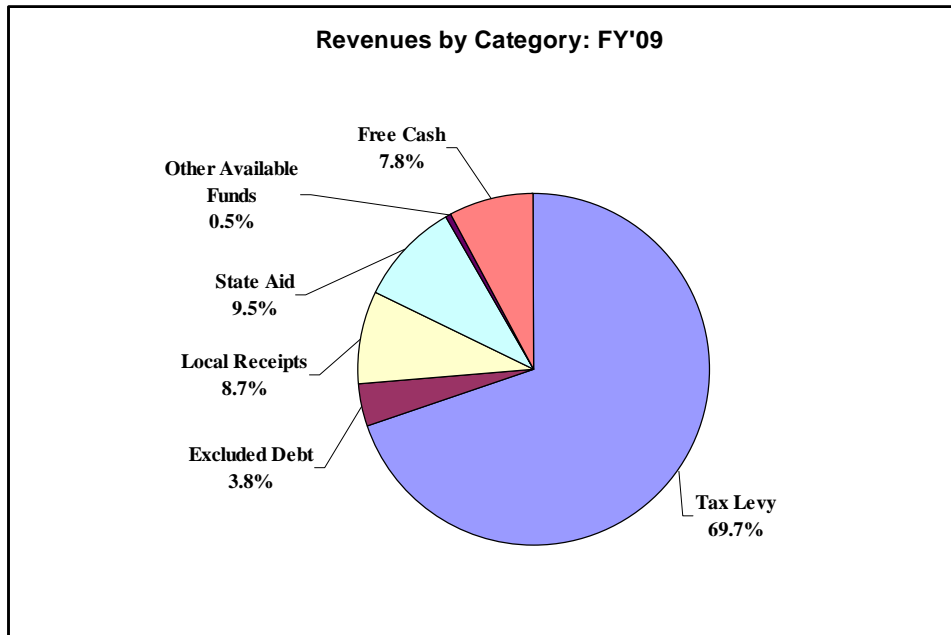
Over the last several years, the Finance Committee has been seeking to build the financial reserves, following years in which they had been expended. In 2004, the certified free cash remaining was \$96,182. In 2007, it was \$251,823. In FY '09, the Emergency Reserves are projected to be about 4.0% of the General Fund budget, with about \$850,000 (3.1% of the General Fund budget) representing unspent certified Free Cash. The actual amount will not be known until Free Cash is certified in the fall of 2008.

Over the next five years, the Finance Committee anticipates that the usual year-to-year growth in the Town's revenue will continue to be insufficient to meet the goals of maintaining the existing level of services, maintaining and improving the Town's infrastructure, and modestly improving services in key areas. The reasons are many, but include growth in enrollment and the large size of classes at Lincoln-Sudbury Regional High School, the costs of personnel (which account for about 80% of the budget), the costs of special education at all grade levels, pension and insurance costs, the funding of accrued liability for retirement health and life insurance benefits, uncertainty about state aid, and substantial capital needs for Town roads and buildings and the Lincoln Public Schools. Good management and a willingness by budgeting agencies to reduce or shift personnel to meet changing service needs are essential. Nonetheless, the Finance Committee anticipates that although it may not recommend overrides to support the operating budget each year, overrides are likely to be needed on a recurring basis.

3. Revenues

Total town revenues for FY '09 are projected at \$28,420,130 (excluding Water Department revenues), a 5.3% increase over FY '08.

The pie chart shows the revenue categories and the percentages of total revenue that they represent. The major categories are real estate taxes (tax levy and excluded debt), local receipts, state aid, Free Cash, and other available funds.



Proposition 2½ allows towns to raise real estate taxes by 2.5% a year without an override. The tax levy may also increase because of taxes attributable to new construction. For FY '09, the tax levy represents 69.7% of projected revenue.

Additional property tax revenues may be raised through debt exclusion, following approval by a two-thirds vote at Town Meeting and a majority vote at the Town Election. Excluded debt includes property tax revenues that pay for such Town debt (for example, a new fire truck, new buildings or major repairs to roads existing buildings) as well as the Lincoln portion of the principal and interest payments for such debt for the Lincoln-Sudbury Regional School District. When payment is complete, the debt is retired and the property tax to fund the project is no longer collected. In FY '09, excluded debt is projected to represent 3.8% of revenues.

The application of Free Cash is projected to provide 7.8% of FY '09 revenue. In October 2007, the Department of Revenue certified Free Cash for the Town at \$3,084,568. This represented a substantial increase from the amount certified in the fall of 2006, which was \$2,593,009. Among the reasons for the increase were turn backs from the Reserve Fund and Health Insurance and receipts in excess of budget, such as for investment income and the provision of benefits for employees at the Hanscom Campus of the Lincoln Public Schools. The Free Cash balance allowed the Finance Committee to propose a budget that can be funded without an override.

Local receipts (8.7% of projected revenue) include excise taxes, rental fees, license and permit fees, investment income, cell tower income, and other fee income, such as parking, recreation and ambulance fees.

State aid (7.3% of projected revenue) includes Chapter 70 (education reform) funds, state reimbursements for the K-8 school construction, METCO, lottery, and other assistance. State aid increased in FY '08, as compared to FY '07. State aid for FY '09 is not yet known (the state budget is settled after the Town budget) but is projected to increase by 3% as compared to FY '08. If the actual increase is greater, the difference will accrue to Free Cash. If the actual increase is smaller or if state aid decreases, the Town will use available Free Cash to make-up the difference.

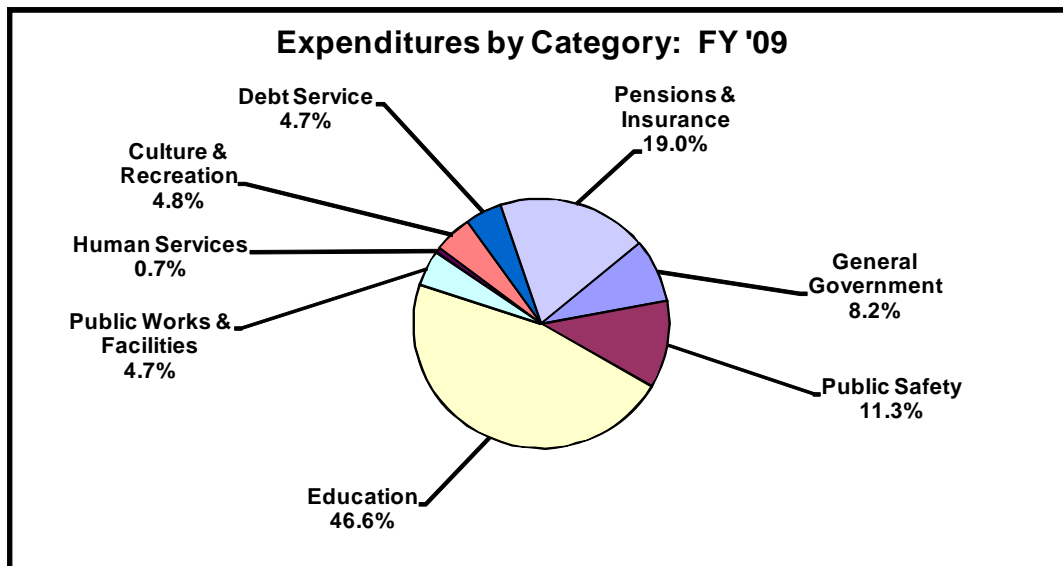
Other available funds (2.7% of projected revenue) are a small category of miscellaneous items, such as payments from the Water Department for certain services provided by the Town or payments from Hanscom Air Force Base for certain services provided by the Lincoln Public Schools. In general, the amounts received are offset by corresponding debits.

4. Operating Expenditures

Total town operating expenditures are the total of the General Fund and the Water Enterprise Fund. The Water Department's operating budget (\$981,447 for FY '09) is funded entirely through fees paid by water consumers. The General Fund budget includes all other operating expenditures.

The projection for Town operating expenditures in the FY '09 budget is \$28,141,257. This is an increase of 5.4% over FY '08. The General Fund total is \$27,159,810.

The pie chart shows the breakdown of expenditures by category. Education is the largest component, representing 46.6% of the total. This includes the Lincoln Public Schools, the Lincoln-Sudbury Regional High School and the Minuteman Regional High School. For the two regional schools, the education component includes all costs to Lincoln, including debt service, pensions and insurance. For the Lincoln Public Schools, debt service, pensions and insurance are not included in the education component; they are part of the Town expenditures for these items.



The growth in the appropriated budget for the Lincoln Public Schools is 3.9% exclusive of Pensions and Insurance for personnel. The growth in the Lincoln portion of the Lincoln-Sudbury Regional School

District budget is projected at 6.6%. The budget for the regional school district is shared between Lincoln and Sudbury, reflecting a three-year rolling average of the number of students enrolled from each town. The FY '09 apportionment ratio is 15.19% for Lincoln and 84.81% for Sudbury, which is a higher percentage for Lincoln than in FY '08. The Minuteman assessment is lower in FY '09 than FY '08 because fewer Lincoln students will be enrolled.

Pensions and Insurance expenditures for FY '09 are projected at \$5,164,744, compared to \$4,627,201 for FY '08, an 11.6% increase. They represent 19.0% of total expenditures. Debt service, excluding the debt service for the Lincoln-Sudbury Regional High School accounts for 4.7% of total expenditures. FY '09 debt service is \$1,282,470, a 1.4% decrease from FY '08.

The growth in required non-discretionary expenditures, such as pensions and insurance (and in particular health insurance) consumes most of the Town's annual increases in revenues and drives the need for consideration of override budgets to simply maintain services.

The categories of operating expenditures are covered in more detail in the departmental section of the report.

5. Capital Expenditures

The Capital Planning Committee (CPC) makes capital expenditure recommendations. The CPC has one representative each from the Board of Selectmen, the K-8 schools, the Finance Committee, the Library, the Conservation Commission, and two at-large members; the Assistant Town Administrator is *ex-officio*. The CPC considers all spending requests for tangible assets with a life of 5 years or more and valued at \$15,000 or more.

All proposed capital expenditures are assessed to determine whether they might qualify for funding under the Community Preservation Act. Appropriate requests are referred to the Community Preservation Committee for their review.

Most approved capital expenditures are financed within each year's budget. Items with a long useful life may be proposed for debt exclusion, (bonding), which requires approval at Town Meeting and the Town Election. Bonding allows the Town to finance the purchase and spread the cost of that item over several years, outside of the limitations of Proposition 2½. For FY '09, the road improvement project (\$5,500,000) and the purchase of a fire pumper tanker (\$200,000) have been recommended for debt exclusion.

The Finance Committee set a ceiling of about \$645,000 for capital expenditures for FY'09. Total initial requests were \$7,002,500. The CPC suggested the following disposition:

Recommended for funding:	\$645,500
Recommended for bonding:	\$5,700,000
Moved to other warrant articles	\$125,000
Withdrawn from consideration	\$532,000

6. Community Preservation Act

The Town of Lincoln approved the Community Preservation Act (CPA) in November 2002. Pursuant to the CPA, the Town levies a surcharge of 3% on Lincoln real estate bills. These local CPA revenues are matched by the state from a dedicated matching fund. To date, the state has matched local CPA revenues 100%. Due to an increasing number of cities and towns participating in the CPA, and a decline in funds to the state matching fund, it is likely that the match will be less than 100% from this point forward.

The CPA requires that a Community Preservation Committee (CPC) be formed with four members appointed by the Selectmen and five other members nominated from each of the following: Conservation Commission, Housing Commission, Historical Commission, Planning Board, and Recreation Committee. The Act allows the Town to spend the money for affordable housing, historic preservation, land conservation, and recreation. Spending must be recommended by the CPC and approved at Town Meeting.

At Town Meeting in March 2003, the Town authorized the use of CPC funds to purchase a state-owned lot on Sunnyside Lane to be used for affordable housing (\$119,000), to “buy-down” a condominium for affordable housing (\$150,000), to replace the roof on the historic Pierce House (\$80,000), and for administrative expenses (\$5,000).

At Town Meeting in March 2004, the Town authorized the use of CPC funds to build three affordable housing units on Sunnyside Lane (\$239,500), to repair windows at the Library (\$75,000), to provide funds to the Conservation Commission for open space purchases (\$163,500), to inventory Lincoln’s historic properties (\$15,000), and to create a model historic preservation easement (\$5,000).

At Town Meeting in April 2005, the Town authorized the use of CPC funds to contribute to the purchase price of the Harrington-Row properties (\$350,000), for construction of affordable housing units and condominium buy-downs (\$434,000), to replace the roof on the Library (\$461,750 authorized, \$240,000 spent), and to prepare an engineering design for an historic documents vault (\$24,000).

At Town Meeting in March 2006, the Town authorized the use of CPC funds to replace windows at the Library (\$420,000), to construct a tot lot at the Codman Pool (\$50,000), to implement safety features at the Pierce House (\$19,000), to design a fire suppression system for the Library (\$14,000), to provide funds to the Conservation Commission for open space purchases (\$36,500), and to fund the Affordable Housing Trust (\$900,000 authorized, \$0 spent).

At Town Meeting in March 2007, the Town authorized the use of CPC funds to improve the Library fire suppression/detection system (\$54,254), to contribute to the purchase price of the Booth property (\$250,000), for structural repairs to the Pierce House (\$155,800), to repair an historic monument in the Bemis Hall Cemetery (\$4,300), to preserve and protect historic records in the office of the Town Clerk (\$7,720), and to fund additional consulting services to complete the Town Building Needs Assessment (\$25,000).

Although the CPC has not yet finalized its warrant article (Warrant Article 36) for March 2008 Town Meeting, it anticipates recommending funding (1) to construct an archival vault at the Library, (2) to the Conservation Commission for open space purchases, (3) to the Conservation Commission for management of invasive plants on conservation land, (4) to update the town's Consolidated Housing Plan, (5) to reauthorize funding to the Affordable Housing Trust, (6) for the Library fire suppression/detection system, and (7) for administrative costs.

The chart summarizes money raised and appropriations to date.

CPA Appropriations						
Revenues	FY04	FY05	FY06	FY07	FY08*	Total
Town Surcharge	\$218,892	\$460,641	\$498,769	\$513,043	\$529,372	
State Match	203,365	220,879	461,436	500,519	397,029 [#]	
Investment/Other Income	19,573	11,235	32,528	92,664		
Total Revenues	441,830	692,755	992,733	1,106,226	926,401	\$3,438,001
Appropriations**						
Housing	269,000	239,500	434,000 [†]		247,074	
Historic	79,700	95,000	264,000 [†]	288,802		
Conservation		163,500	350,000 [†]	36,500	250,000	
Recreation				50,000		
Administrative	5,000					
Total Appropriations	353,700	498,000	1,048,000 [†]	375,302	497,074	\$2,772,076
* revenues not yet certified # assumes 75% state match ** actual amount spent is shown, where less than appropriation † bonded over 10 years						

7. Property Tax

The table shows the tax impact on an average house of the proposed FY '09 budget.

Town of Lincoln		
FY '09 Estimated Tax Impact		
	FY '08	FY'09
Average Tax Bill	\$10,869.70	\$11,426.15
\$ Increase		\$556.45
% Increase		5.12%
With Road and Fire Truck Combined*		
\$ Increase		\$24.62
% Increase		.23%
Total		
\$ Increase		\$581.06
% Increase		5.35%
*If approved, the full impact will eventually be \$425 on the average home tax bill until the debt is paid off.		

8. Looking Forward

The Finance Committee works closely with the Town, the Lincoln Public Schools, Lincoln-Sudbury Regional High School, and independent Boards to anticipate the Town's future needs and to analyze the financial impact of these needs and various policy options for addressing them. The Town's land use choices, including changes in the number and types of houses, impact school enrollment and infrastructure requirements. The Town's fiscal choices usually impact the residential property tax. Although the FY '09 proposed budget could be funded without an operating override, the committee may find it necessary to recommend an override to the Town in FY '10 or a subsequent year.

In addition to the road improvement project that will be considered at the FY '09 Town Meeting, the Finance Committee anticipates other major capital projects, such as those for the maintenance or renovation of Town buildings and for the renovation or replacement of buildings at the Lincoln Public Schools. It will work with the Town, the Lincoln Public Schools, and the Capital Planning Committee to sequence these expenditures so as to minimize year-to-year changes in payments for debt exclusion.

The Finance Committee is also considering the recent Government Accounting Standards Board (GASB) 45 requirement to calculate and report the present value of "other post employment benefits" (i.e., retirement health and life insurance benefits) on the Town's balance sheet as an accrued liability rather than recording the cost of the actual benefit when it is incurred. Although the Town has no obligation to set aside funds to pay for these benefits, they would appear on the Town's balance sheet as an accrued liability if not funded, which in the long-term could adversely impact the Town's bond rating. At the FY '09 Town Meeting, the Finance Committee will sponsor Warrant Article 37, which would establish a trust fund that could be used in future years to set aside funds to reduce the accrued liability. The Town and the Finance Committee are still determining the present value of this liability and learning how other towns in the Commonwealth are approaching this matter.

Over the next several years, the Finance Committee anticipates substantial building permit and real estate tax revenues from the construction of "The Groves in Lincoln," the Deaconess Abundant Life Community that was approved at the Special Town Meeting in November 2006. The renovation of the Lincoln Mall will also generate increased building permit and real estate tax revenue.

The Finance Committee will place a high priority on maintaining adequate Emergency Reserves, working with the Town for expanded tax relief for those homeowners on limited or fixed incomes, and advocating for continued participation in the CPA program.

General Government

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$1,823,179	\$2,132,911	\$2,231,183

General Information

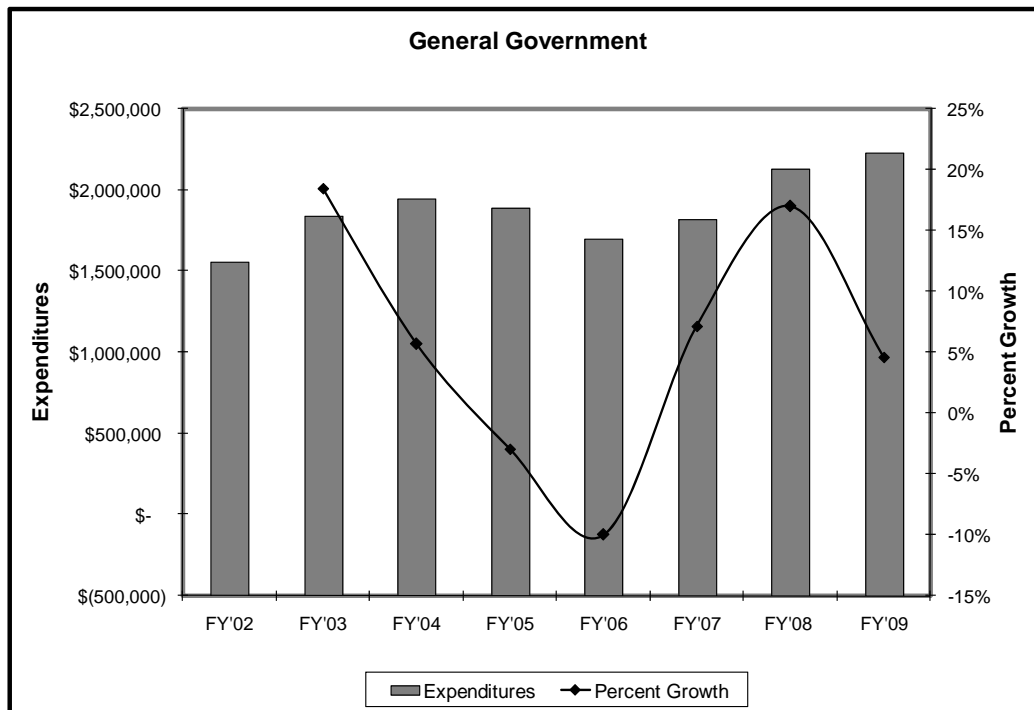
General Government includes: Board of Selectman, Finance Committee, Town Offices, Legal Services, Reserve Fund, Assessors, Law Department, Town Clerk, Registrars of Voters, Conservation Commission, Planning Board, Board of Appeals, Town Report and Town Buildings. The largest account is Town Offices, which includes personnel costs and administrative and financial department expenses.

Key Issues

- The FY '09 budget is a level services budget with the exception of a five-hour per week increase in administrative support for the Zoning Board of Appeals.
- The Reserve Fund is part of the General Fund, and is intended to cover extraordinary and unforeseen needs of the Town, the Lincoln Public Schools, and independent Boards. It is funded at \$450,000.
- FY '09 will be the first year of a collective bargaining agreement that is still being negotiated.

Warrant Articles

- Article 13, Information technology equipment: \$25,000.
- Article 25, Town-wide Building Maintenance: \$81,151.



Public Safety

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$2,844,739	\$2,946,496	\$3,072,120

General Information

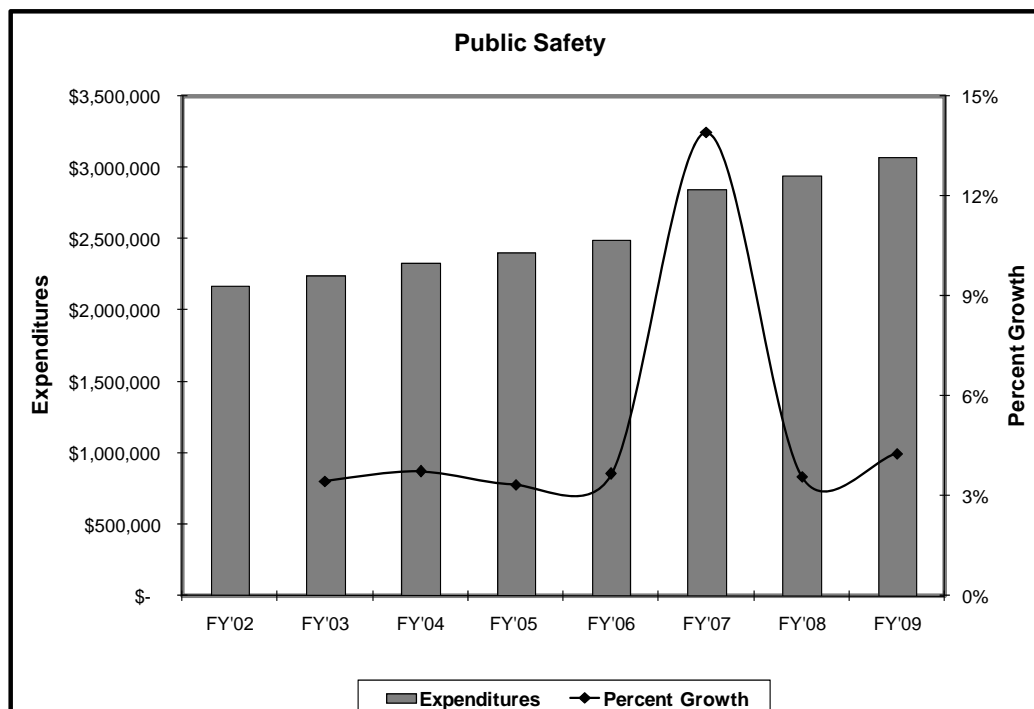
Public Safety includes Building Inspection, the Department of Weights and Measures, and the dispatch and delivery of Police, Fire, and Emergency Medical services.

Key Issues

- The FY '09 budget is a level services budget.
- There is no change in staffing.
- FY '09 will be the first year of a collective bargaining agreement that is still being negotiated.

Warrant Articles

- Article 9, Fire-Truck bed replacement: \$6,000. The funds are to replace the truck bed in the Fire Department's brush truck.
- Article 10, Police--ballistic vests and miscellaneous equipment: \$19,000. The funds are to replace ballistic vests and other police safety equipment.
- Article 11, Police-two cruisers, \$60,000. The funds are to replace 2 police cruisers.
- Article 12, E-911 dispatch renovation, \$220,000. The funds are to renovate the E-911 dispatch center and to replace radio consoles and the video recording system.
- Article 22, Fire pumper tanker, \$200,000. The funds are to purchase a water tanker/pumper for the Fire Department.



Lincoln Public Schools

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$8,402,199	\$8,712,975	\$9,054,364

General Information

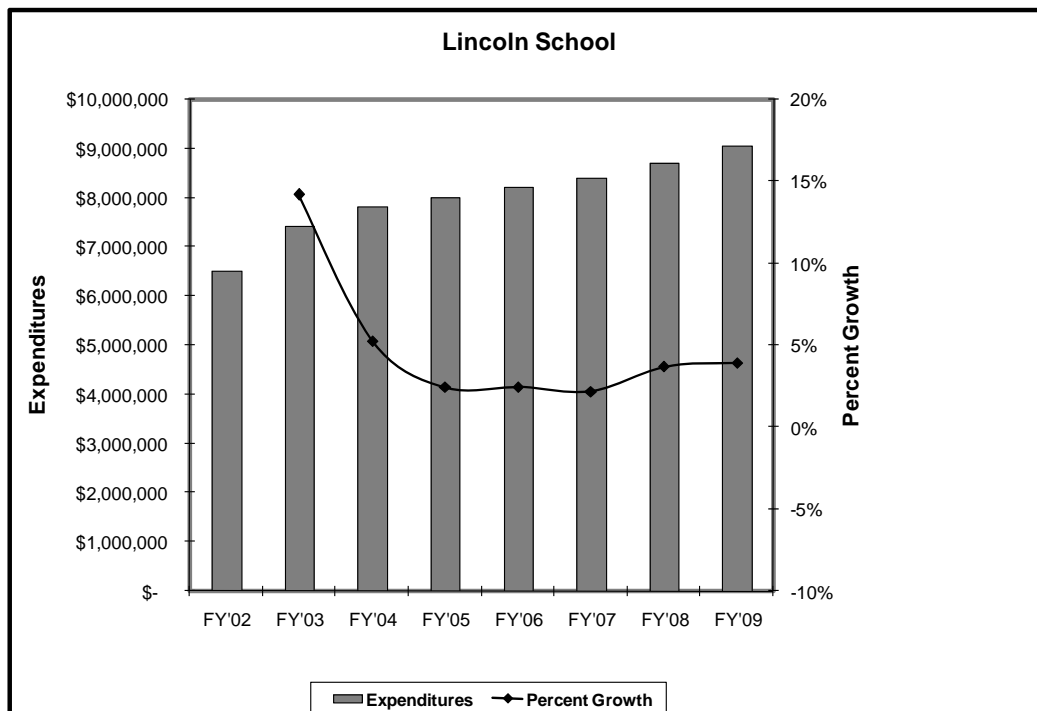
As in prior years, the Lincoln Public Schools are working to maintain and improve their educational programs, despite continuing fiscal constraints. The schools, with the assistance of a facilities subcommittee, are actively engaged in building and campus maintenance as well as planning for the potential renovation of the Lincoln School, the Hartwell Building, and the Pods. Implementation of a technology initiative began in FY '08 and will continue in FY '09. This includes hardware acquisition, a new technology lab, the purchase of interactive white boards, professional development, and additional technology infrastructure enhancements. In addition, the district plans to adopt new instructional materials for math in grades K-5, implement a full-day kindergarten, and begin initiatives to close the achievement gap and to address the needs of high-performing students.

Key Issues

- Enrollment in FY '09 is projected to decrease slightly from 664 to 655 students. The number of classroom sections is expected to be 32, as compared to 34 in FY '08. Two fifth grade sections will be eliminated as the current fifth grade, larger than normal, moves into the middle school. These changes result in class sizes that are within the class size policy recently revised by the School Committee. They reflect the district's commitment to maintain small class sizes, a hallmark of the Lincoln Public Schools.
- Staff reductions in the FY '09 budget include three teachers, one special education tutor, a 48% decrease in classroom assistant and general education tutor hours, and one custodian.
- Personnel costs represent about 84 % of the school budget. The Lincoln Teachers Association is in the third year of a three-year contract. A new contract is being negotiated.
- Special education costs and reimbursement are projected to remain level. The budget includes about \$150,000 of "circuit breaker" reimbursement and \$48,698 of Medicaid reimbursement, both received for expenditures in prior years.
- The METCO program brings students from Boston to the Lincoln School and is viewed by the School Committee as a fundamental means of educating children about how to live in a diverse world.

Warrant Articles

- Article 14, School instructional technology equipment: \$125,000.
- Article 16, School emergency access: \$25,000.
- Article 17, Reed Field House roof - engineering study and temporary repair: \$20,000.
- Article 23, School - transfer Medicaid reimbursements into budget: \$45,919.
- Article 27, School maintenance, classroom rehabilitation, painting and repairs: \$125,000.



Lincoln-Sudbury Regional High School

	FY '07 Actual	FY '08 Budget	FY '09 Proposed
Total Budget:	\$25,162,194	\$26,324,098	\$26,830,205
Offsets:	4,148,560	3,863,741	3,746,303
Total Assessment:	21,013,634	22,460,357	23,083,902
Lincoln Share:	\$2,976,852	\$3,297,558	\$3,515,542

General Information

Enrollment increases at Lincoln-Sudbury Regional High School (LSRHS) leveled off in FY '08, with enrollment at 1,622. In FY '09 enrollment is expected to grow by seven students, to 1629. Enrollment growth in FY '10 is also expected to remain fairly flat, with large increases beginning again in FY '11.

The proposed FY '09 total budget (operating and debt) of \$26,830,205 represents a 1.9% increase over FY '08, and maintains current staff and programs. After offsets, including receipts, state aid, and reapportionment, the FY '09 total assessment is \$23,083,902, a 2.8% increase over FY '08. Based on enrollment, Lincoln's share of the assessment will increase from 14.67% to 15.19%. Sudbury's share is 84.81%. As a regional school district, LSRHS is obliged to include within its budget all costs incurred, including items not normally found in local school budgets, such as health and life insurance, workers' compensation, property and casualty insurance, FICA, retirement assessments and debt service. Growth in these costs exerts additional pressure on the high school's discretionary operating budget.

The regional agreement under which LSRHS operates provides that the lowest funding rate approved by either town sets the growth rate for the overall budget. Thus, if Sudbury approves an assessment that corresponds to a lower budget than voted by Lincoln, Lincoln's assessment will drop accordingly, and vice-versa.

Sudbury's non-override budget for FY '09 would require the total budget to **decrease** by 1% (\$705,967) from the FY '08 budget. Sudbury plans to bring forward two override proposals. A \$2.7 million override, if passed by Sudbury voters, would correspond with the LSRHS base budget. Lincoln's share of the base budget is part of the Town's proposed FY '09 budget, and can be funded without an override. A \$1.7 million override, if passed by Sudbury voters, would provide for a budget of \$26,613,770, a decrease of \$216,435 from the proposed budget.

Article 8 would allow Lincoln to provide the full amount of its proposed assessment to LSRHS (which is based on the assumption that Sudbury will pass a \$2.7 million override) if Sudbury either does not pass an override or passes a \$1.7 million override.

Key Issues

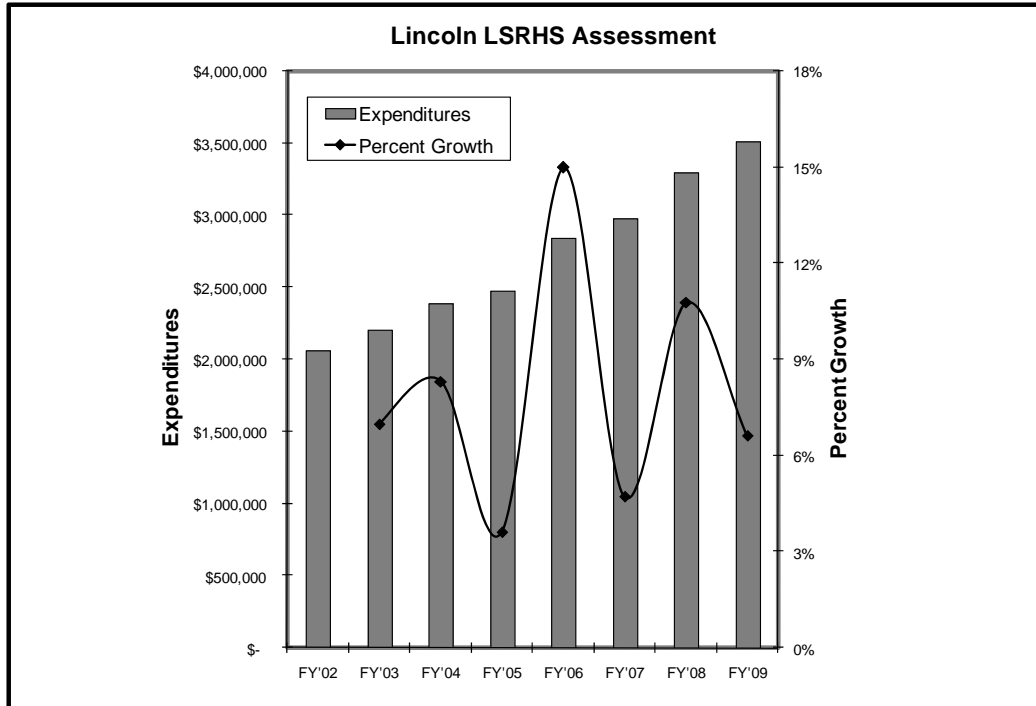
- L-S's budget is not a "level service" budget, but rather, is a "level staff" budget. This budget does not accomplish the goal of making progress toward the Lincoln-Sudbury School Committee's goal of reducing class sizes and teacher loads to those that were in effect in 2004.
- Although the projected enrollment increase is only seven students, the impact is not proportionate across grade levels. The incoming 9th grade is projected to increase by 28 students.

The projected enrollment decreases in the other grades do not allow for simple reallocations of staff and other resources to adjust for the 9th grade impact.

- The expense categories reflect level funding, with some variations based on historical trends or specific program needs. The bus transportation contract expires in FY '08 and will be re-bid. This is done jointly with the Sudbury K-8 school district. Based on fuel costs and other factors, the high school has budgeted a 5% increase. It has also added funds to address current overcrowding on buses and the potential need to add an afternoon bus route.
- Utilities costs will decrease significantly as a result of favorable electricity pricing achieved through a bid process in FY '08 that locked in prices for the first half of FY '09.
- Special education costs represent 7.2% of the budget, a 12.3% increase over FY '08. This includes the cost of 27 out-of-district placements. Expected reimbursement in state circuit breaker funds in FY '09 of \$895,610, along with \$109,806 in circuit breaker funds from FY '08, will partially fund the expected \$2,940,373 in special education costs. Transportation services may also drive up special education costs, as the two providers who have held prices over the last three years may not continue operations.
- Salary and wages increase by 5.5% over FY '08. The net increase, after application of revenues from fees and other sources, is 3.2%.
- Pensions and insurance, primarily health insurance for both active employees and retirees, are included in the budget. The overall increase in pensions and insurance is 4.0%. All non-teaching staff that work 20 or more hours per week participate in the Middlesex Retirement system and LSRHS is assessed each year for their benefits. The increase in that assessment is 12.2%. All teachers and eligible administrators are members of the Massachusetts Teachers' Retirement System. LSRHS does not make an employer contribution for any of the participants.
- L-S is a member of the Minuteman Nashoba Health Group, a collaborative purchasing group for health insurance that is self-insured. Rates are estimated to increase 6%.
- As a regional school district, LSRHS receives Chapter 70 state aid and transportation aid directly. In FY '08 L-S budgeted for receipt of \$2,263,758 in state aid. For FY '09, it has budgeted \$2,709,411, a projected increase of 10.0%. This budget amount is similar to the amount of state aid finally received in FY '08.
- The cost of debt service associated with the LSRHS building is decreasing by \$265,059 as a result of state reimbursement, paying down the bond anticipation note and issuance of the final bond for \$1 million.
- The offsets include a \$25,000 addition to the LSRHS Excess and Deficiency Fund. The Excess and Deficiency Fund is the equivalent of Lincoln's Reserve Fund.

Warrant Article

- Article 8. This article would allow Lincoln to provide the full amount of its proposed assessment to LSRHS (which is based on the assumption that Sudbury will pass a \$2.7 million override), if Sudbury does not pass an override or passes a \$1.7 million override. The grant to LSRHS would be \$110,041 if Sudbury does not pass an override and \$32,881 if Sudbury passes a \$1.7 million override. If this article is not approved, and Sudbury either passes no override or a \$1.7 million override, Lincoln's assessment would decrease.



Minuteman Regional High School

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$159,890	\$110,873	86,654

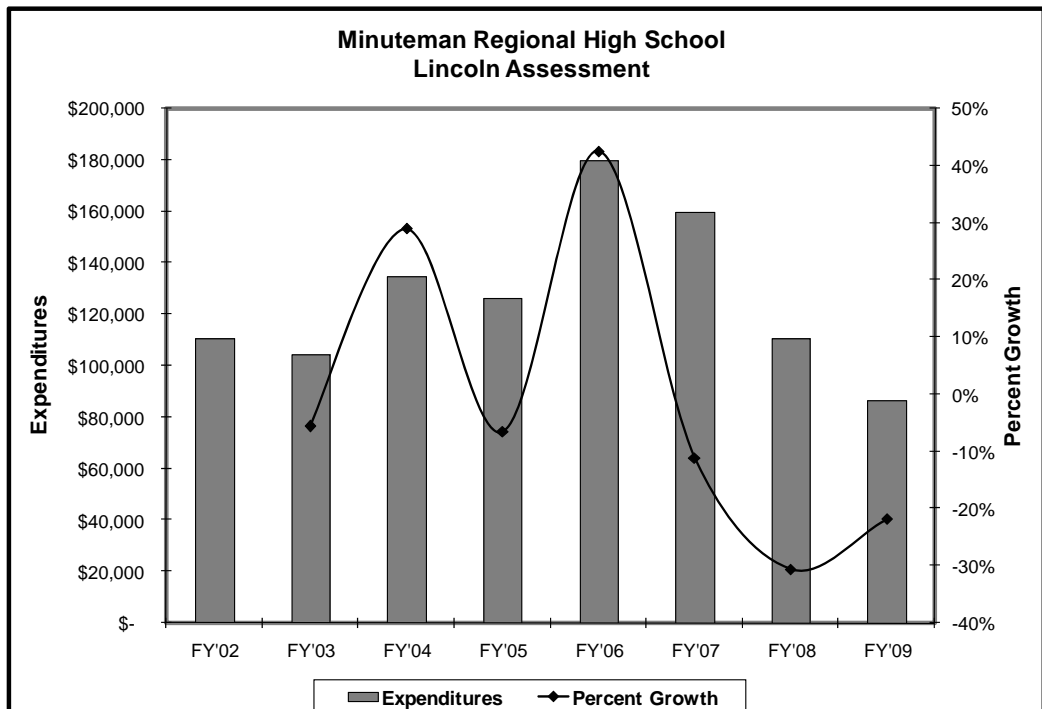
General Information

The Minuteman Regional High School, which is in Lexington near the Lincoln border, serves a diverse student body with multiple learning styles. It offers a choice of over 23 professional and occupational careers, a full college academic program, and an associated career exploration program. In addition to full-time enrollments for grades 9-12, Minuteman provides a variety of part-time, after-school, middle school, career and technical educational activities, and college and industrial linkages.

Lincoln is one of 16 member municipalities comprising the Minuteman Regional School District. The district is funded by a combination of assessments from each of its municipal members, state and federal reimbursements, and tuition payments by non-member municipalities. Tuition assessment of member towns is based primarily on the proportion of their students attending to the total of member town enrollments.

Key Issues

- About \$9 million of Minuteman's \$17 million FY '09 budget will be assessed to member towns. The balance will be from tuition payments for students in non--member towns and government payments.
- For FY '09, enrollment at Minuteman is projected at 710 students. This includes four students from Lincoln, as compared to five in FY '08. The decrease of one student is reflected in Lincoln's FY '09 proposed assessment of \$86,654, a decline of 22% from the FY '08 assessment of \$110,873.



Public Works and Facilities

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$1,139,378	\$1,237,760	\$1,266,180

General Information

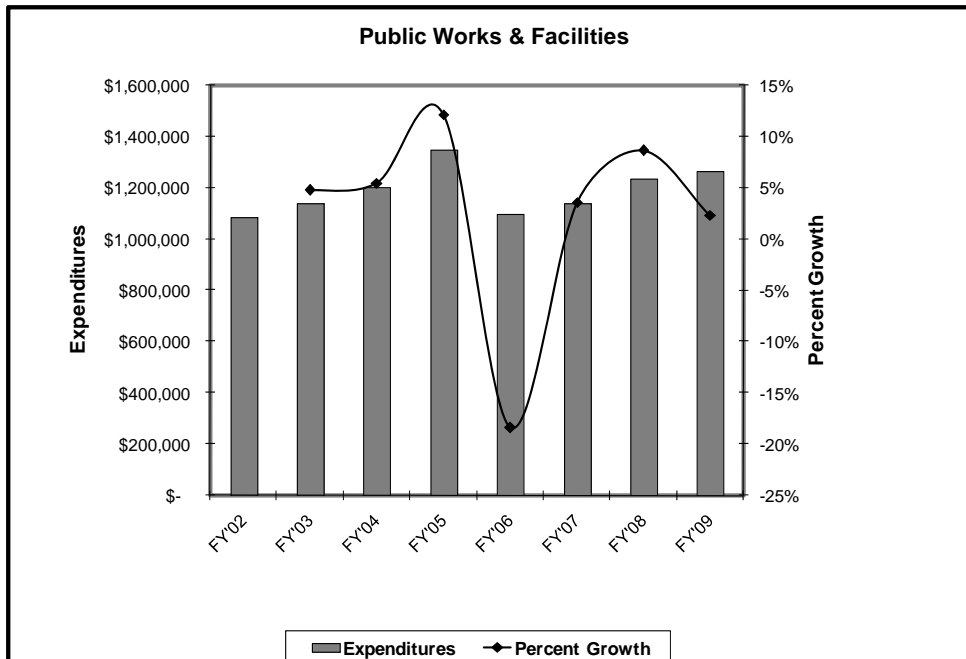
Public Works & Facilities includes Engineering & Consulting, DPW Operation & Maintenance, Snow & Ice Control, Street Lighting, Tree Warden, Building Maintenance, Rubbish Removal, Transfer Station and Cemetery.

Key Issues

- The Town is requesting \$5.5 million to repair the town's major roadways. If approved, the town would issue bonds that would be repaid over a ten-year period.
- The FY '09 operating budget is a level-service and level-staff budget with the exception of a \$5,000 increase in police details in anticipation of increased roadway maintenance activities.
- FY '09 will be the first year of a collective bargaining agreement that is still being negotiated.

Warrant Articles

- Article 18, DPW dump truck with plow: \$58,500.
- Article 19, DPW pick-up truck with plow: \$39,000.
- Article 21, DPW pavement plan: \$5,500,000.
- Article 24, Chapter 90 appropriation for roads.



Human Services

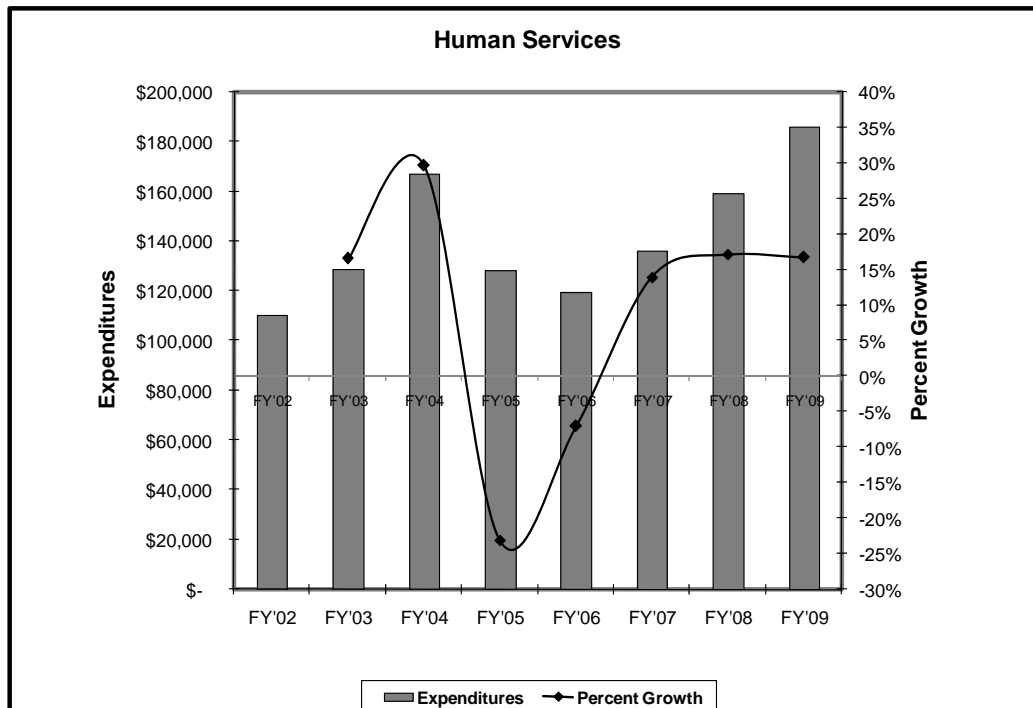
FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$136,231	\$159,547	\$186,271

General Information

Human Services covers a broad range of programs. It includes the Board of Health, the Council on Aging, Veteran’s Services, the Housing Commission, and the Minuteman Home Care Membership. The Council on Aging is the largest component. Lincoln has an agreement with Concord that provides for inspection services and health-related technical support.

Key Issues

- The FY '09 budget is a level-services budget with the exception of modest program expansion at the Council on Aging. There is no change in staffing.
- The budget includes \$18,000 for veteran's benefits, an amount sufficient to cover the cost of one, twelve-month claim. The state reimburses 75% of town expenditures for Veterans services, so the net cost to the town of such a claim would be \$4,500.



Recreation, Conservation Land, Celebrations, and Pierce House

	FY '07 Actual	FY '08 Budget	FY '09 Proposed
Recreation	\$317,391	\$333,512	\$351,451
Conservation Land	\$65,744	\$68,824	\$78,668
Celebrations	\$20,899	\$20,399	\$21,020
Pierce House	\$40,000	\$42,025	\$43,285

General Information

A six member Recreation Committee, half elected and half appointed by the Board of Selectmen, oversees the Recreation Department. Staffed by a director and assistant director, the department provides a range of recreational activities for citizens of all ages. It manages all of the Town's recreational facilities, including the tennis courts, playgrounds, playing fields and the Codman Pool. The department also operates a children's summer camp and schedules use of facilities at the Lincoln School campus for after-hours activities.

Effective in 2007, the Recreation Department, replacing the Celebrations Committee, has assumed responsibility for organizing town celebrations, including Memorial Day, all July Fourth festivities, and the Pierce Park Summer Concert Series.

The conservation land budget includes expenses for the maintenance and recreational use of conservation land.

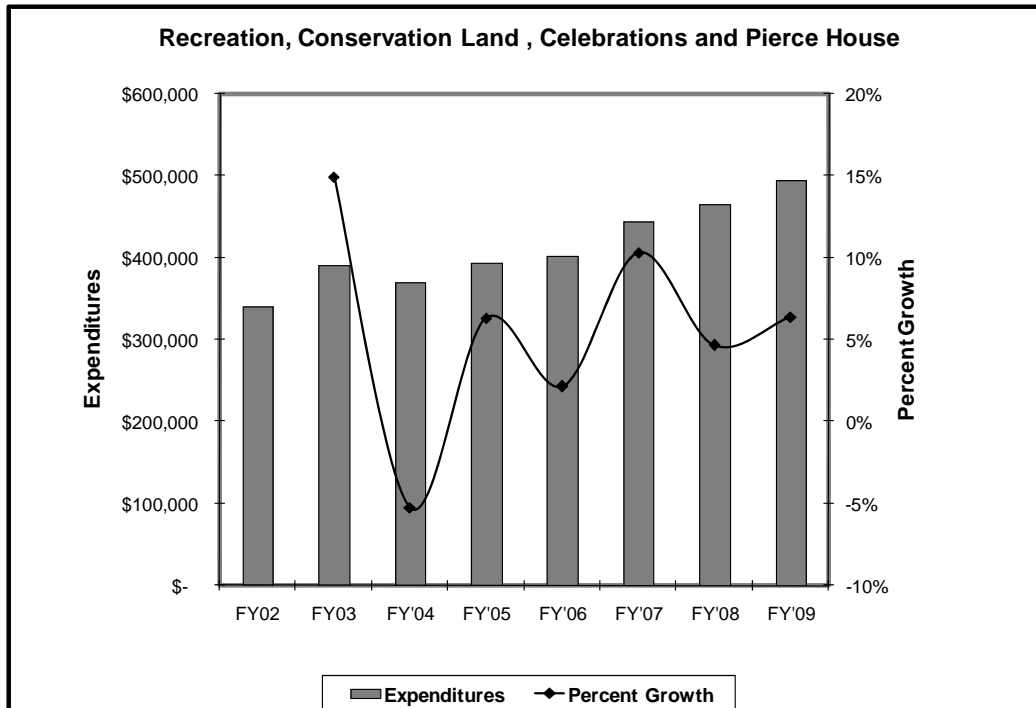
Since FY' 07, personnel costs for the Pierce House has been included in this category.

Key Issues

- The FY' 09 is a level services budget. The exception is additional funds to expand programs for children and other recreational programming, and field maintenance.
- There are no changes in staffing with the exception of \$3,000 for additional pool staff hours.
- The Recreation Department continues to recover approximately 90% of its costs from user fees.

Warrant Article

- Article 20, Conservation dump truck with plow: \$48,000. The new truck would replace a 1994 truck.



Library

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$737,138	\$760,245	\$805,858

General Information

The Lincoln Public Library is open seven days a week during the winter months (57 hours) and five days a week during the remainder of the year. It maintains full service staffing and a book budget commensurate with the needs of a highly literate public. It is a member in good standing of the Minuteman Library Network. It provides access for residents to books, tapes, DVDs and reference materials from the facilities of the forty-one member towns' libraries. The Library continues to be extremely busy responding to the varied needs of residents.

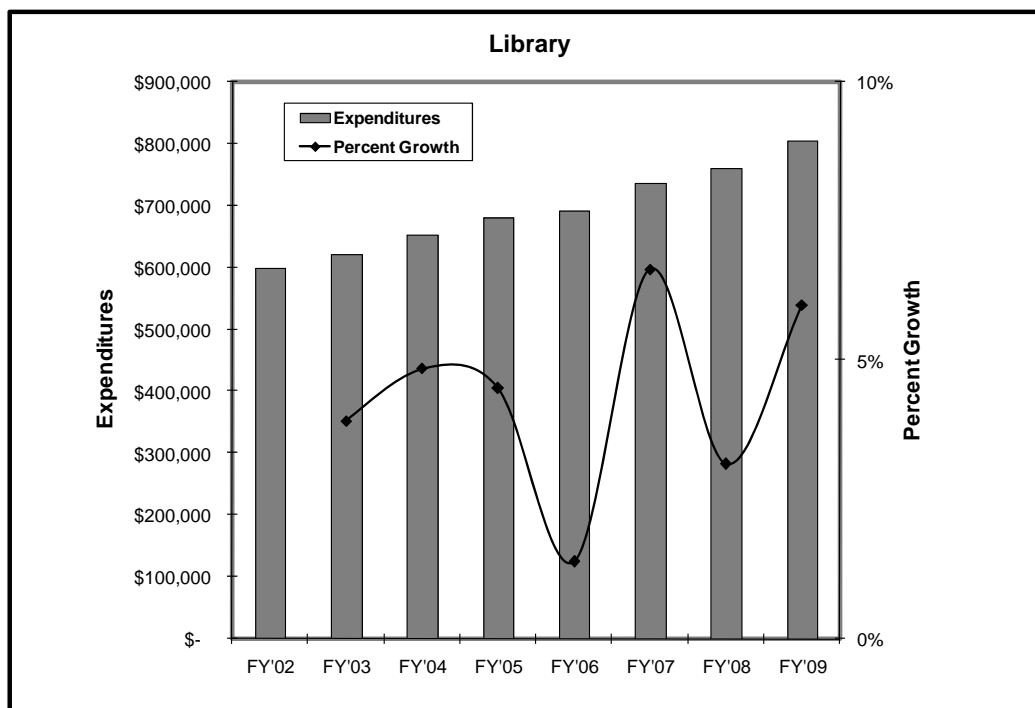
The Friends of the Lincoln Library sponsored a Brunch for Books to benefit the library's vault renovation project in October. The event was a big success with more than 150 people in attendance. Nearly \$2,000 was raised for the library's vault renovation project.

Key Issues

- The FY'09 Budget enables the Library to meet the level of expenditures on books required to maintain state Certification. Certification is a condition of the Town's continued participation in the statewide reciprocal borrowing program and qualifies the Library for some state funding.
- The budget maintains current hours and services.
- Approximately 1% of Lincoln residents volunteered at the Library in 2007!
- Repairs and maintenance to the Library's physical plant continue. In 2007, the Gund Building's windows were replaced and design work for an expanded fire suppression system was completed. These projects were funded by Community Preservation Act funds.

Warrant Article

Article 26, Library building maintenance: \$28,000.



Debt Service

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$1,588,401	\$1,301,031	\$1,282,470

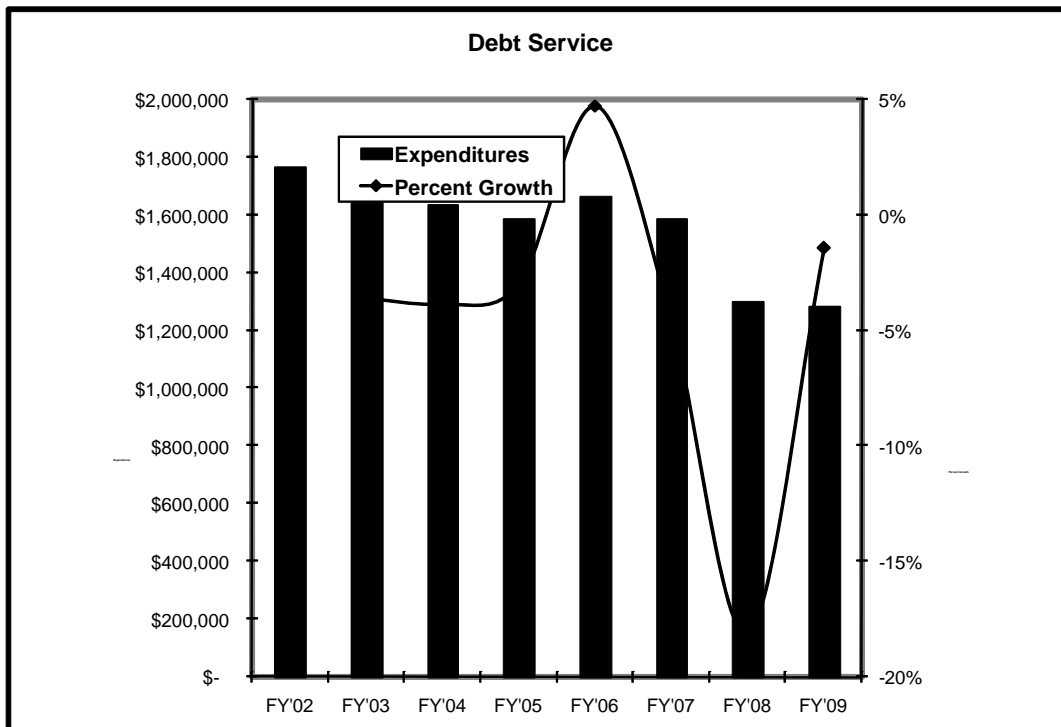
General Information

Debt service represents principal and interest payments on the Town’s outstanding loan obligations. It increases when Town Meeting authorizes short-term borrowing or the issuance of bonds. It decreases as the loans or bonds mature. Because principal is repaid on a level basis and interest is paid on outstanding balances, debt service is “front loaded” with high payments initially that decline as principal is paid down over time (unlike a mortgage payment that remains level throughout its life). Municipal bonds may not be retired on an accelerated basis in order to take advantage of declining interest rates. The Town of Lincoln has the highest bond rating available, AAA, from S & P. This means the lowest borrowing costs available for future indebtedness.

Debt service for LSRHS is part of the high school budget.

Key Issues

- Debt service for FY '08 and FY '09 is lower than debt service for FY '07 primarily because the Town is no longer paying for the Public Safety building that was built in 1996.
- Most of the debt service is for school construction; the FY '09 payment for the renovation of the Lincoln Public Schools in 1996 is \$1,030,000. This debt will be retired in FY '09. However, if the \$5.5 million road project is approved, this will contribute to the debt service in the years ahead.



Pensions and Insurance

FY '07 Actual	FY '08 Budget	FY '09 Proposed
\$3,644,488	\$4,627,201	\$5,164,744

General Information

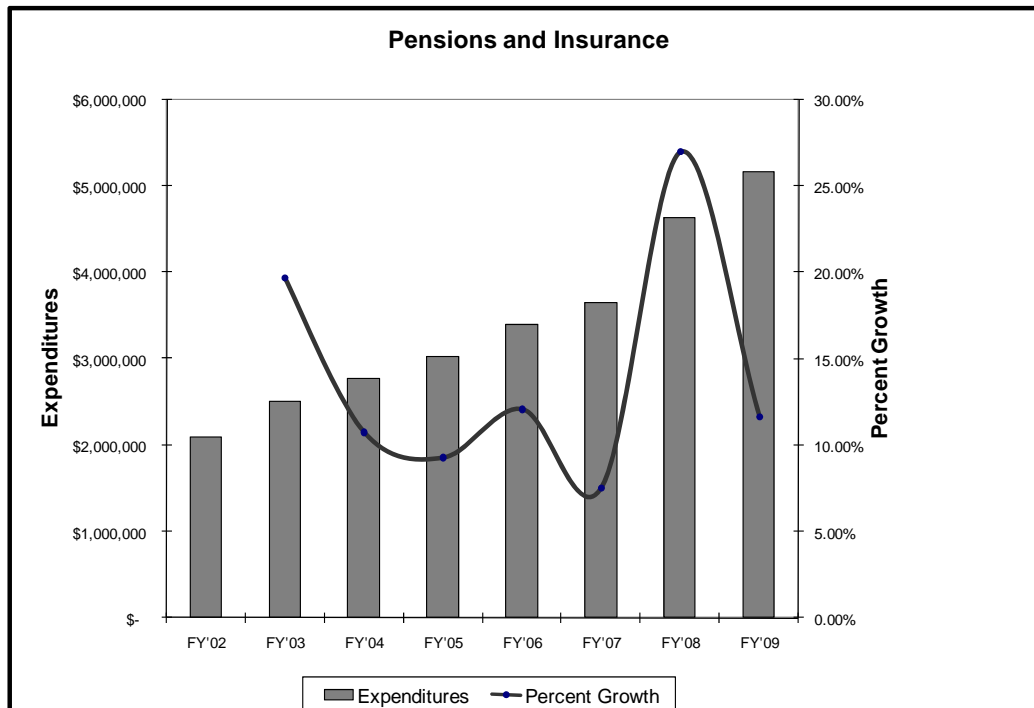
This category covers retirement insurance, unemployment insurance, health insurance, FICA/Medicare, life insurance, and general insurance, e.g., property and casualty.

The Town is a member of the Middlesex Retirement System and contributes annually to a retirement fund that covers public sector employees within the former Middlesex County. The assessment continues to grow each year because of an increasing number of participants. For FY' 09, this growth is partially offset by the system's higher than expected returns on investments.

The Town offers several health insurance plans to its employees, including employees of the Lincoln Public Schools. These expenses are carried in this line item, not in the K-8 School Budget. Health insurance costs for FY '09 are expected to increase by 15% over FY'08.

The Town also pays for unemployment, life insurance and employee related FICA costs. State and federal law, personnel by-laws, and union contracts determine the Town's contributions.

General Insurance includes worker's compensation, liability insurance, and the bonding of appropriate Town personnel. This is expected to increase by 5% over FY '08.



Water Department

FY '07 Actual	FY '08 Budget*	FY '09 Proposed*
\$859,112	\$933,487	\$969,447

*Budget includes a \$45,000 emergency reserve fund that reverts to the water surplus fund if not used.

General Information

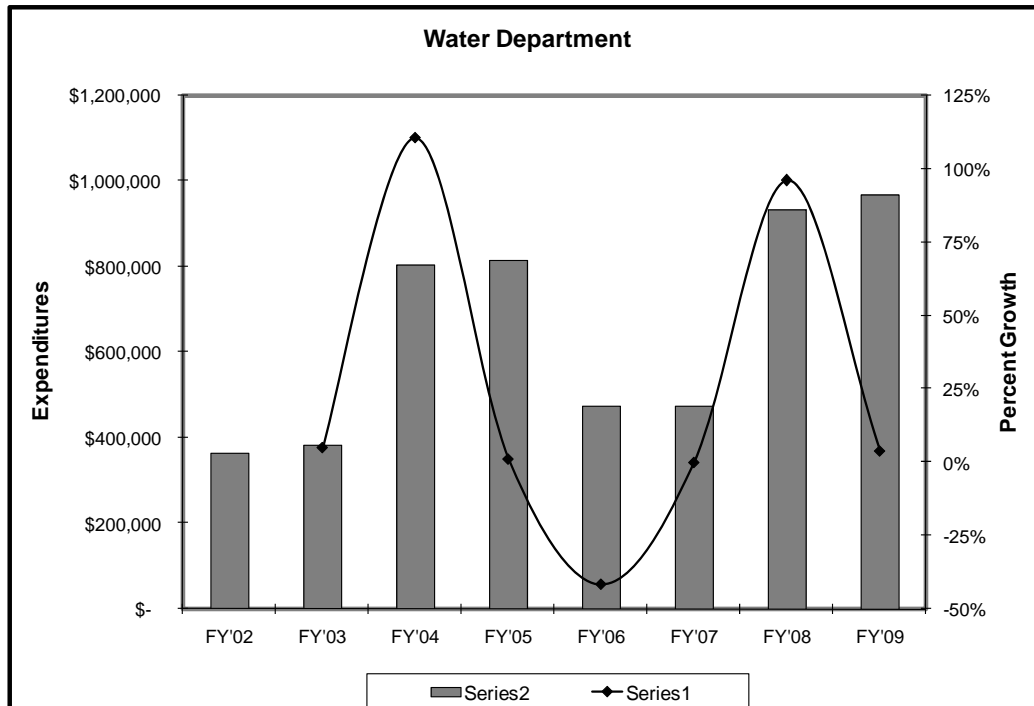
The Water Department maintains Lincoln's water supply and distribution system and assures the quality of the Town's drinking water. Its operating budget is funded entirely through fees paid by water consumers. Revenues in excess of operating costs are contributed to a surplus fund, for capital or emergency use. The surplus fund balance is approximately \$1.6 million.

Key Issues

- Lincoln's water usage is currently 85 gal/day/person. The state Department of Environmental Protection has requested that Lincoln reduce its usage to 65 gal/day/person by 2017. The Water Department currently has no plans in place for accomplishing this reduction; there are a number of approaches under consideration.

Warrant Articles

- Article 29, Water conservation stabilization fund, \$100,000. This article proposes transferring \$100,000 from the surplus fund to the water conservation stabilization fund. The governance of the conservation stabilization fund is being clarified to enable a more efficient distribution of funds as needed, and to comply with state laws.
- Article 30, Water filters, \$500,000. This article proposes a transfer of \$500,000 from the surplus fund to replace filters in the water filtration system. This upgrade is expected to last about 7 years.
- Article 31, Crosby Corner design, \$38,000. This article proposes transferring \$38,000 from the surplus fund for engineering plans for water pipes at Crosby Corner.
- Article 32, Truck, \$40,000. This article proposes transferring \$40,000 from the surplus fund for purchase of a new truck.



**TABLE 1
FISCAL DETAIL
FY 2007-2009**

		ACTUAL EXPENDITURES FY07	CURRENT BUDGET FY08	PROPOSED BUDGET FY09
GENERAL GOVERNMENT				
1122	SELECTMEN			
	Personnel Services	0.00	400.00	400.00
	Expense	400.00	3,000.00	3,000.00
	TOTAL 1290	400.00	3,400.00	3,400.00
1290	TOWN OFFICES			
	Personnel Services	679,316.64	706,734.00	752,428.00
	Expense	243,768.72	275,422.00	281,615.00
	TOTAL 1290	923,085.36	982,156.00	1,034,043.00
11312	FINANCE COMMITTEE			
	Expense	150.00	150.00	200.00
	TOTAL 1310	150.00	150.00	200.00
11322	RESERVE FUND			
	Reserve Fund Appropriation	254,452.81	450,000.00	450,000.00
	TOTAL 1320	254,452.81	450,000.00	450,000.00
1137	ASSESSORS			
	Personnel Services	35,633.12	38,468.00	40,940.00
	Expense	76,029.36	80,070.00	81,770.00
	TOTAL 1370	111,662.48	118,538.00	122,710.00
11512	LAW DEPARTMENT			
	Expense	120,000.00	120,000.00	120,000.00
	TOTAL 1510	120,000.00	120,000.00	120,000.00
1161	TOWN CLERK			
	Personnel Services	72,120.00	78,149.00	83,090.00
	Expense	2,412.44	5,900.00	6,077.00
	TOTAL 1610	74,532.44	84,049.00	89,167.00
1162	REGISTRARS OF VOTERS			
	Personnel Services	150.00	200.00	200.00
	Expense	7,026.36	10,718.00	11,040.00
	TOTAL 1620	7,176.36	10,918.00	11,240.00
1171	CONSERVATION COMMISSION			
	Personnel Services	99,427.80	105,009.00	116,040.00
	Expense	6,010.47	7,100.00	7,300.00
	TOTAL 1710	105,438.27	112,109.00	123,340.00
1175	PLANNING BOARD			
	Personnel Services	99,471.09	105,156.00	111,669.00
	Expense	6,765.85	10,132.00	7,078.00
	TOTAL 1750	106,236.94	115,288.00	118,747.00
1176	BOARD OF APPEALS			
	Personnel Services		14,664.00	20,763.00
	Expense	3,438.62	5,000.00	5,000.00
	TOTAL 1760	3,438.62	19,664.00	25,763.00

1195	TOWN REPORT			
	Expense	14,275.00	14,703.25	15,145.00
	TOTAL 1950	<u>14,275.00</u>	<u>14,703.25</u>	<u>15,145.00</u>
1191	TOWN BUILDINGS			
	Personnel Services	47,333.60	48,599.00	50,228.00
	Expense	54,997.00	53,337.00	67,200.00
	TOTAL 1990	<u>102,330.60</u>	<u>101,936.00</u>	<u>117,428.00</u>
TOTALS FOR GENERAL GOVERNMENT		<u>1,823,178.88</u>	<u>2,132,911.25</u>	<u>2,231,183.00</u>
PUBLIC SAFETY				
1211	POLICE DEPARTMENT			
	Personnel Services	1,144,090.54	1,154,890.00	1,224,811.00
	Expense	85,925.40	71,702.00	71,279.00
	TOTAL 2110	<u>1,230,015.94</u>	<u>1,226,592.00</u>	<u>1,296,090.00</u>
1221	FIRE DEPARTMENT			
	Personnel Services	985,685.13	1,036,652.00	1,066,505.00
	Expense	43,598.54	52,101.00	54,910.00
	TOTAL 2210	<u>1,029,283.67</u>	<u>1,088,753.00</u>	<u>1,121,415.00</u>
1231	EMERGENCY MEDICAL SERVICES			
	Personnel Services	50,012.88	62,117.00	63,929.00
	Expense	21,918.00	22,524.00	23,252.00
	TOTAL 2310	<u>71,930.88</u>	<u>84,641.00</u>	<u>87,181.00</u>
1249	BUILDING DEPARTMENT			
	Personnel Services	151,311.48	155,535.00	164,623.00
	Expense	5,074.55	5,050.00	5,315.00
	TOTAL 2490	<u>156,386.03</u>	<u>160,585.00</u>	<u>169,938.00</u>
1251	COMMUNICATIONS CENTER			
	Personnel Services	242,712.95	261,698.00	269,611.00
	Expense	35,270.00	32,753.00	33,673.00
	TOTAL 2510	<u>277,982.95</u>	<u>294,451.00</u>	<u>303,284.00</u>
1291	EMERGENCY MANAGEMENT			
	Personnel Services	1,000.00	1,000.00	1000.00
	Expense	520.00	10,361.00	10700.00
	TOTAL 2910	<u>1,520.00</u>	<u>11,361.00</u>	<u>11,700.00</u>
1292	DOG OFFICER			
	Expense	7,729.71	8,158.00	8,402.00
	TOTAL 2910	<u>7,729.71</u>	<u>8,158.00</u>	<u>8,402.00</u>
1299	PUBLIC SAFETY BUILDING			
	Personnel Services	13,165.30	13,865.00	14,280.00
	Expense	56,724.60	58,090.00	59,830.00
	TOTAL 2990	<u>69,889.90</u>	<u>71,955.00</u>	<u>74,110.00</u>
TOTALS FOR PUBLIC SAFETY		<u>2,844,739.08</u>	<u>2,946,496.00</u>	<u>3,072,120.00</u>

EDUCATION

1310	LOCAL SCHOOL SYSTEM			
	Personnel Services & Expense	<u>8,402,198.97</u>	<u>8,712,975.00</u>	<u>9,054,364.00</u>
	TOTAL 3100	<u>8,402,198.97</u>	<u>8,712,975.00</u>	<u>9,054,364.00</u>
1331	LINCOLN-SUDBURY REG HS			
	Regional School District Assessment	<u>2,976,851.92</u>	<u>3,297,558.00</u>	<u>3,515,542.00</u>
	TOTAL 3310	<u>2,976,851.92</u>	<u>3,297,558.00</u>	<u>3,515,542.00</u>
1332	MINUTEMAN REG VOC TECH SCH			
	Regional School District Assessment	<u>159,890.00</u>	<u>111,078.00</u>	<u>86,654.00</u>
	TOTAL 3320	<u>159,890.00</u>	<u>111,078.00</u>	<u>86,654.00</u>
TOTALS FOR EDUCATION		<u><u>11,538,940.89</u></u>	<u><u>12,121,611.00</u></u>	<u><u>12,656,560.00</u></u>

PUBLIC WORKS & FACILITIES

1411	ENGINEERING & CONSULTING			
	Expense	<u>69,000.00</u>	<u>85,000.00</u>	<u>73,000.00</u>
	TOTAL 4110	<u>69,000.00</u>	<u>85,000.00</u>	<u>73,000.00</u>
1422	DPW OPERATION & MAINTENANCE			
	Personnel Services	476,602.92	527,110.00	545,200.00
	Expense	<u>159,720.00</u>	<u>199,425.00</u>	<u>208,200.00</u>
	TOTAL 4220	<u>636,322.92</u>	<u>726,535.00</u>	<u>753,400.00</u>
1423	DPW SNOW & ICE CONTROL			
	Personnel Services	24,824.98	63,800.00	65,700.00
	Expense	<u>109,811.37</u>	<u>44,400.00</u>	<u>45,700.00</u>
	TOTAL 4230	<u>134,636.35</u>	<u>108,200.00</u>	<u>111,400.00</u>
1424	STREET LIGHTING			
	Expense	<u>39,660.00</u>	<u>34,670.00</u>	<u>35,710.00</u>
	TOTAL 4240	<u>39,660.00</u>	<u>34,670.00</u>	<u>35,710.00</u>
1427	TREE WARDEN			
	Expense	<u>5,468.24</u>	<u>5,780.00</u>	<u>5,950.00</u>
	TOTAL 4270	<u>5,468.24</u>	<u>5,780.00</u>	<u>5,950.00</u>
1429	DPW BUILDING			
	Expense	<u>24,280.00</u>	<u>25,010.00</u>	<u>25,760.00</u>
	TOTAL 4290	<u>24,280.00</u>	<u>25,010.00</u>	<u>25,760.00</u>
1433	RUBBISH REMOVAL			
	Expense	<u>10,910.99</u>	<u>12,510.00</u>	<u>12,885.00</u>
	TOTAL 4330	<u>10,910.99</u>	<u>12,510.00</u>	<u>12,885.00</u>
1434	TRANSFER STATION			
	Personnel Services	68,579.78	69,280.00	70,850.00
	Expense	<u>130,823.90</u>	<u>142,770.00</u>	<u>147,600.00</u>
	TOTAL 4340	<u>199,403.68</u>	<u>212,050.00</u>	<u>218,450.00</u>
1491	CEMETERY DEPARTMENT			
	Personnel Services	24.00	3,075.00	3,075.00
	Expense	<u>19,672.08</u>	<u>24,930.00</u>	<u>26,550.00</u>
	TOTAL 4910	<u>19,696.08</u>	<u>28,005.00</u>	<u>29,625.00</u>
TOTALS FOR PUBLIC WORKS & FACILITIES		<u><u>1,139,378.26</u></u>	<u><u>1,237,760.00</u></u>	<u><u>1,266,180.00</u></u>

HUMAN SERVICES

1511	BOARD OF HEALTH			
	Expense	<u>22,181.55</u>	<u>24,157.00</u>	<u>24,404.00</u>
	TOTAL 5110	22,181.55	24,157.00	24,404.00
1522	MINUTEMAN HOME CARE			
	Expense	<u>1,081.00</u>	<u>1,103.00</u>	<u>1,136.00</u>
	TOTAL 5220	1,081.00	1,103.00	1,136.00
1541	COUNCIL ON AGING			
	Personnel Services	92,130.37	120,962.00	125,831.00
	Expense	<u>12,732.18</u>	<u>13,325.00</u>	<u>15,900.00</u>
	TOTAL 5410	104,862.55	134,287.00	141,731.00
1543	VETERANS' SERVICES			
	Expense	<u>8,106.00</u>	<u>0.00</u>	<u>18,000.00</u>
	TOTAL 5430	8,106.00	0.00	18,000.00
1591	HOUSING COMMISSION			
	Expense	<u>0.00</u>	<u>0.00</u>	<u>1,000.00</u>
	TOTAL 5910	0.00	0.00	1,000.00
1596	CODMAN COMPLEX			
	Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	TOTAL 5960	0.00	0.00	0.00
TOTALS FOR HUMAN SERVICES		<u>136,231.10</u>	<u>159,547.00</u>	<u>186,271.00</u>

CULTURE & RECREATION

1611	LIBRARY			
	Personnel Services	529,503.96	546,365.00	578,053.56
	Expense	<u>151,295.73</u>	<u>157,398.00</u>	<u>167,323.16</u>
	TOTAL 6110	680,799.69	703,763.00	745,376.72
1612	LIBRARY BUILDING			
	Expense	<u>56,337.85</u>	<u>56,482.00</u>	<u>60,481.00</u>
	SUB-TOTAL	56,337.85	56,482.00	60,481.00
	Capital Outlay			-
	TOTAL 6120	56,337.85	56,482.00	60,481.00
1631	RECREATION DEPARTMENT			
	Personnel Services	256,031.30	265,637.00	274,601.00
	Expense	<u>61,360.00</u>	<u>67,875.00</u>	<u>76,850.00</u>
	TOTAL 6310	317,391.30	333,512.00	351,451.00
1651	CONSERVATION LAND			
	Personnel Services	51,594.40	54,674.00	64,118.00
	Expense	<u>14,150.00</u>	<u>14,150.00</u>	<u>14,550.00</u>
	TOTAL 6510	65,744.40	68,824.00	78,668.00
1661	CELEBRATIONS COMMITTEE			
	Expense	<u>20,899.00</u>	<u>20,399.00</u>	<u>21,020.00</u>
	TOTAL 6610	20,899.00	20,399.00	21,020.00
1662	PIERCE HOUSE			
	Personnel Services	<u>40,000.00</u>	<u>42,025.00</u>	<u>43,285.00</u>
	TOTAL '016620	40,000.00	42,025.00	43,285.00
TOTALS FOR CULTURE & RECREATION		<u>1,141,172.24</u>	<u>1,225,005.00</u>	<u>1,300,281.72</u>

DEBT SERVICE

1712	SCHOOL CONSTRUCTION 1996			
	Principal Long-Term Debt	1,000,000.00	1,000,000.00	1,000,000.00
	Interest Long-Term Debt	150,000.00	90,000.00	30,000.00
	TOTAL 7120	<u>1,150,000.00</u>	<u>1,090,000.00</u>	<u>1,030,000.00</u>
1734	PUBLIC SAFETY BLDG 1996			
	Principal Long-Term Debt	250,000.00	0.00	
	Interest Long-Term Debt	7,500.00	0.00	
	TOTAL 7340	<u>257,500.00</u>	<u>0.00</u>	<u>-</u>
176-177	BEMIS, TOWN OFFICE ROOF, POOL			
	Principal Long-Term Debt	149,000.00	149,000.00	100,000.00
	Interest Long-Term Debt	31,901.00	26,905.50	22,220.00
	Interest Short-Term			
	TOTAL 7340	<u>180,901.00</u>	<u>175,905.50</u>	<u>122,220.00</u>
1791	INTEREST SHORT-TERM DEBT			
	Interest Short-Term Debt	0.00	25,000.00	25,000.00
	TOTAL 7910	<u>0.00</u>	<u>25,000.00</u>	<u>25,000.00</u>
1792	FIRE TRUCK-ENGINE 2			
	Principal Long-Term Debt			45,000.00
	Interest Long-Term Debt		10,125.00	15,750.00
	TOTAL		<u>10,125.00</u>	<u>60,750.00</u>
	FIRE TRUCK PUMPER/TANKER			
	Principal Long-Term Debt			20,000.00
	Interest Long-Term Debt			7,000.00
	TOTAL			<u>27,000.00</u>
	ROAD PROJECT			
	Interest Short-Term Debt			17,500.00
	TOTAL			<u>17,500.00</u>
	TOTALS FOR DEBT SERVICE	<u>1,588,401.00</u>	<u>1,301,030.50</u>	<u>1,282,470.00</u>

UNCLASSIFIED**INSURANCE**

1911	RETIREMENT ASSESSMENT			
	Expense	896,014.00	1,091,972.00	1,169,438.00
	TOTAL 9110	<u>896,014.00</u>	<u>1,091,972.00</u>	<u>1,169,438.00</u>
1913	UNEMPLOYMENT INSURANCE			
	Personnel Services	20,549.65	30,000.00	30,000.00
	TOTAL 9130	<u>20,549.65</u>	<u>30,000.00</u>	<u>30,000.00</u>
1914	HEALTH INSURANCE			
	Personnel Services	2,201,304.79	2,886,500.00	3,319,475.00
	Expense	10,200.00	10,640.00	10,959.20
	TOTAL 9140	<u>2,211,504.79</u>	<u>2,897,140.00</u>	<u>3,330,434.20</u>
1915	LIFE INSURANCE			
	Personnel Services	6,400.86	9,000.00	9,000.00
	TOTAL 9150	<u>6,400.86</u>	<u>9,000.00</u>	<u>9,000.00</u>

1916	FICA/MEDICARE			
	Personnel Services	233,046.32	234,469.20	246,193.00
	TOTAL 9160	<u>233,046.32</u>	<u>234,469.20</u>	<u>246,193.00</u>
1942	GENERAL INSURANCE			
	Expense	276,972.35	364,619.79	379,679.10
	TOTAL 9420	<u>276,972.35</u>	<u>364,619.79</u>	<u>379,679.10</u>
TOTALS FOR UNCLASSIFIED		<u>3,644,487.97</u>	<u>4,627,200.99</u>	<u>5,164,744.30</u>
TOTALS FOR GENERAL FUND		<u>22,268,128.42</u>	<u>25,751,561.74</u>	<u>27,159,810.02</u>
WATER ENTERPRISE FUND				
61451	WATER DEPARTMENT			
	Personnel Services	355,167.55	367,462.50	370,287.00
	Expense	325,138.00	341,960.00	387,160.00
	SUB-TOTAL	<u>680,305.55</u>	<u>709,422.50</u>	<u>757,447.00</u>
	Capital Outlay	178,806.01	179,064.19	179,000.00
	TOTAL 4510	<u>859,111.56</u>	<u>888,486.69</u>	<u>936,447.00</u>
614513	WATER DEPARTMENT			
	Emergency Reserve	0.00	45,000.00	45,000.00
	TOTAL 614153	<u>-</u>	<u>45,000.00</u>	<u>45,000.00</u>
TOTALS FOR WATER ENTERPRISE FUND		<u>859,111.56</u>	<u>933,486.69</u>	<u>981,447.00</u>
APPROPRIATION SUMMARY -				
	GENERAL GOVERNMENT	1,823,179	2,132,911	2,231,183
	PUBLIC SAFETY	2,844,739	2,946,496	3,072,120
	EDUCATION	11,538,941	12,121,611	12,656,560
	PUBLIC WORKS & FACILITIES	1,139,378	1,237,760	1,266,180
	HUMAN SERVICES	136,231	159,547	186,271
	CULTURE & RECREATION	1,141,172	1,225,005	1,300,282
	DEBT SERVICE	1,588,401	1,301,031	1,282,470
	UNCLASSIFIED	3,644,488	4,627,201	5,164,744
	WATER DEPARTMENT	<u>859,112</u>	<u>933,487</u>	<u>981,447</u>
TOTAL - ARTICLE 7		<u>24,715,641</u>	<u>26,685,048</u>	<u>28,141,257</u>