

FINANCIAL SECTION AND WARRANT
FOR
THE 2021 ANNUAL TOWN MEETING
LINCOLN, MASSACHUSETTS



SATURDAY, MAY 15, 2021
9:30 AM

HARTWELL PARKING LOT

PLEASE read this document & bring it with you to the Meeting.

To All Lincoln Registered Voters,

2021 MEETING OVERVIEW. Once again, we are off the usual schedule for our Annual Town Meeting. Last year we finally met on June 13, 2020; this year we will be together on **May 15, 2021**. Once again, we will be meeting under a tent in the Hartwell parking lot. As a public health precaution, we hope to conclude the meeting in three hours. If a second session is necessary, we will hold it on Sunday, May 16 at 9:30 am.

At last year's meeting we took up issues essential to the well-being and on-going financial needs of the Town. We made decisions to postpone consideration of several proposed by-law changes as well as a number of Citizen Petitions. They will be brought before the Town this year. You will find these matters as well as all the Warrant Articles that will come before the Town for your consideration in the following pages.

1. The 2021 Warrant begins after the report of the Finance Committee.
2. We will put several issues on the CONSENT CALENDAR with the hope that those items may be taken up as a whole with one vote if none is held out. If something is held out it will be considered as we come to it in the warrant listings.
3. We will then move to the OPERATING BUDGET, the BY-LAWS and the CITIZEN PETITIONS.

PRE-MEETING INFORMATION. In the days before our in-person Town Meeting all the Town Boards and Committees as well proponents of Citizen Petitions will be given the opportunity to offer on-line background information on the Warrant Articles they have sponsored. Our goal here is to try to cut down on the time for presentations at our in-person meeting. We want to complete our work on Saturday by lunchtime.

GENERAL COMMENTS. All Lincoln registered voters are encouraged to attend this meeting. It is your chance to participate in direct democracy, to see your elected officials in action – and to be with others we may not have seen in a year. If this is your first Town Meeting, come to listen and participate and learn. We hope that you will find a way to volunteer for one of the Town Boards or Committees.

SCHEDULE. You may check in for the meeting on May 15, 2021 at 8:30 am. The meeting will be called to order at 9:30 am assuming that we will have a quorum by then. We hope to be done by lunchtime but bring a snack as there will not be any food available at the meeting.

I look forward to being with you – in person – on the 15th

Sarah Cannon Holden, Town Moderator

Voice Of The Electorate

REPORT
of the
FINANCE COMMITTEE
of the
TOWN OF LINCOLN
for the
FISCAL YEAR
JULY 1, 2021 - JUNE 30, 2022

LINCOLN FINANCE COMMITTEE

Paul Blanchfield, Vice Chair

Gina Halsted

Nancy Marshall

Andrew Payne, Chair

Rich Rosenbaum

Tom Sander

Deborah Wallace

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1. Introduction

The Finance Committee is charged with advising and making recommendations to Town Meeting on the budget, capital projects and other areas of finance, as well as 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 this report we describe the FY22 budget and its component parts, including supporting detail, and outline issues facing the Town that underlie our budget recommendations. The Finance Committee works closely with many boards and committees to build the recommended budget. Among many others, we thank Lincoln Town Administrator Tim Higgins, Finance Director & Town Accountant Colleen Wilkins, Lincoln Public Schools Administrator for Business and Finance Buck Creel, Lincoln-Sudbury Regional High School Business Manager Kirsteen Patterson, Library Director Barbara Myles and Capital Planning Committee Chair Audrey Kalmus.

In this year's report, the Finance Committee is again including "Annual Town Reports" from a number of departments and agencies. These reports are intended to provide greater context to the annual budget and increase transparency for Lincoln citizens about how budgeted expenditures are put to use. In their reports, the departments and agencies review their functions and present the challenges and opportunities they see for the future. In addition, they benchmark their costs and performance against peers in other communities. Although these reports are too much work to produce annually, we hope to update them roughly every five years.

Executive summaries of the Annual Town Reports are included in the respective department or agency section below. The full version of the reports can be found on the websites of the participating departments and agencies.

2. Overview

For FY22, the Finance Committee is recommending a base budget of \$42,950,906 which includes \$4,293,200 in debt service for the school building project approved by residents in December 2018. In recognition of the tax burden imposed by the school building project and the uncertainty regarding pandemic-related expenses and revenue risks, the Finance Committee established a modest budget increase guideline of 2.5%.

In addition, the Committee recommends funding two projects above the guideline for (a) replacing the Town's public safety radio system, and (b) refurbishing Fire Department Ladder 1, both of which can be funded without any need for capital or debt exclusions. Nonetheless, the Town continues to benefit from the strong financial position that it established before the 2008 recession, strong cooperation from town employees in contract negotiations, changes in health insurance providers and plan design changes, and for the fourteenth year in a row, the operating budget can be funded without an override.

For FY22, the property taxes on the median value house (assessed value of \$1,048,000) will increase by about \$337 (2%) with the proposed budget. These figures assume the application of CPA funds to the payment of Town Offices debt (included in Warrant Article 9), which represents

a reduction of .9% (\$146). Note: individual property owners who have undertaken construction or made improvements to their properties may see an additional increase in their taxes.

The Town budget is based on projections and assumptions which reflect local needs and available funds in the context of the economic and political conditions of Massachusetts and the United States. The budget is heavily dependent on real estate taxes (the tax levy and excluded debt). In FY '01, real estate taxes (tax levy plus excluded debt) accounted for 68% of revenue. In FY22, real estate taxes are projected to account for about 80% of revenue. The Town has a small number of commercial properties and relatively few opportunities to increase local revenues. Although the FY22 state budget is not yet finalized, the Town's FY22 budget assumes that net state aid will increase by 18% relative to FY21 to \$2,149,484. The larger than normal increase over FY21 is due to conservative prior year assumptions made as the pandemic began.

The Finance Committee builds the budget by reviewing available funds and revenue projections and setting aside funds for fixed costs, such as pensions, insurance and debt service. This process, which the committee calls a "funds available analysis," results in a budget guideline for the base budget. Last fall, the committee set the base budget guideline at 2.5%, based on tax impact concerns from the school project debt, pandemic uncertainties, results of FY21, and assumptions considered reasonable at that time. All departments and committees were very cognizant of the tax impact of the school project, the uncertainty due to the pandemic, and the need for compliance with the budget guideline.

In addition to the operating budget (Warrant Article 6) and the cash capital budget (Warrant Article 7), Town Meeting will consider maintenance articles and other appropriations (Warrant Articles 8, 10, 11, and 12). The Finance Committee is also recommending a modest increase in the Stabilization Fund balance in FY22 (Warrant Article 14) as a means to smooth the tax impact of expected capital expenditures in the coming years. The Finance Committee believes that the Town should make an ongoing commitment to address its liability for retiree health care benefits and is recommending contributions to trust funds that support the funding of these liabilities (Warrant Articles 15 and 16). The Finance Committee takes these other appropriations into account when determining the funds available for the operating and capital budgets.

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. 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 as shown in the P&L-based presentation of Revenues and Expenditures on page 7). The Finance Committee defines Emergency Reserves as unspent certified Free Cash, plus no more than half of the Reserve Fund, and the full amount of any Stabilization Funds. It is desirable that a 3% minimum Emergency Reserve be set aside entirely from unspent certified Free Cash.

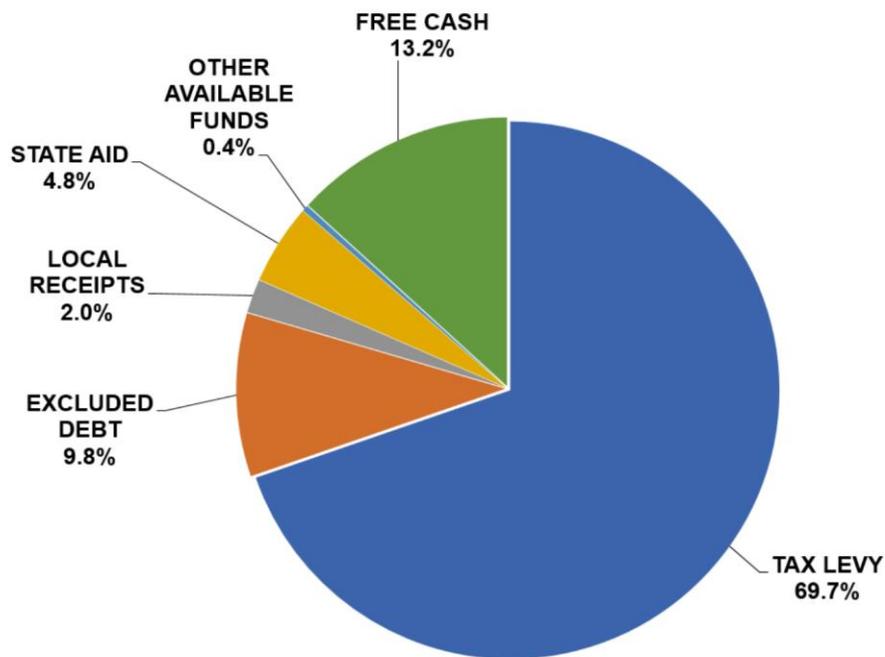
Following many years in which the financial reserves were well below the 3% minimum, the Finance Committee recommended that the Town work to rebuild its financial reserves. Since FY08, targeted minimum reserves (also known as "unspent certified Free Cash") have been set at 3% of the General Fund budget for that year (including capital and other articles). The budget proposed for FY22 would maintain the financial reserve at no less than 3%.

The committee also recognizes the importance of maintaining the Town’s favorable bond rating. Thanks to the Town’s ongoing prudent financial management, commitment to maintenance of adequate cash reserves, and recent efforts to formalize financial management policies, the Town was able to retain its AAA bond rating (the best rating possible) from S&P in October 2020, despite the impact of the large school project debt exclusion approved in December 2018. This rating enhances the Town’s financial flexibility and allows borrowing at the lowest possible interest rates.

3. Revenues

Total Town revenues for FY22 are projected at \$44,706,468 (excluding Water Department revenues), a 5.39% increase compared to FY21. Revenue from state aid is projected to increase 18% from the initial FY21 projection, while local receipts are anticipated to remain flat. Excluded debt will decrease by \$77,156, a 1.74% decrease from FY21. The chart below shows revenue categories and the percentages of total revenue that they represent.

Revenues by Category: FY'22



Proposition 2 ½ allows towns to raise the real estate tax levy by 2.5% per year without an override. The tax levy may also increase because of taxes attributable to new construction. For FY22, real estate taxes are projected to account for about 80% of revenue. As compared to FY21, real estate tax revenues are projected to increase by \$710,734. This projection assumes CPA funds are used to service town office debt, an increase within the Proposition 2 ½ limit, a decrease from debt service and capital exclusions previously approved (including the school project), and a significantly lower amount of new construction relative to FY21.

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, the school project, new trucks, new buildings or major repairs to roads or existing buildings) as well as the Lincoln portion of the principal and interest payments on 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 FY22, excluded debt (from prior-year votes) is projected to represent 9.8% of revenues.

The application of Free Cash is projected to provide 13.24% of FY22 revenue. In October 2020, the Department of Revenue certified Free Cash for the Town from FY20 at \$7,395,104. This represented a 18.5% increase from the amount certified in October 2019. The FY22 budget targets Free Cash as part of Emergency Reserves at year-end of \$1,511,291. This is the major component of the Town's Emergency Reserves. Other contributors to the FY20 Free Cash balance were: (1) a turn back from the Lincoln Schools and savings in health insurance, (2) receipts in excess of budget, such as for motor vehicle excise and licenses and permits, and (3) interest earned from bonded but unspent funds for the school building project. The Free Cash balance is a major contributor to the Finance Committee's ability to propose a budget that can be funded without an operating override.

Local receipts, which 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, are projected to provide 2.0% of revenue in FY22, compared to 2.8% in FY21.

State aid, which includes Chapter 70 (education reform) funds, lottery, and other assistance, is projected to provide 4.8% of revenue in FY22, compared to 5.2% in FY21. Actual State Aid is not yet known, as the state budget is determined after the Town budget, but it is projected to increase by 18% relative to FY21 to \$2,149,484. The larger than normal increase over FY21 is due to conservative prior year assumptions made as the pandemic began.

If the actual amount is greater than budgeted, the difference will accrue to Free Cash. If the amount were to be lower than budgeted, the Town would first look to available Free Cash to make-up the difference.

Other available funds, which are projected to provide 0.4% of revenue in FY21, include miscellaneous items, such as payments from the Water Department and Hanscom Air Force Base for certain services provided by the Town. In general, the amounts received are offset by corresponding debits.

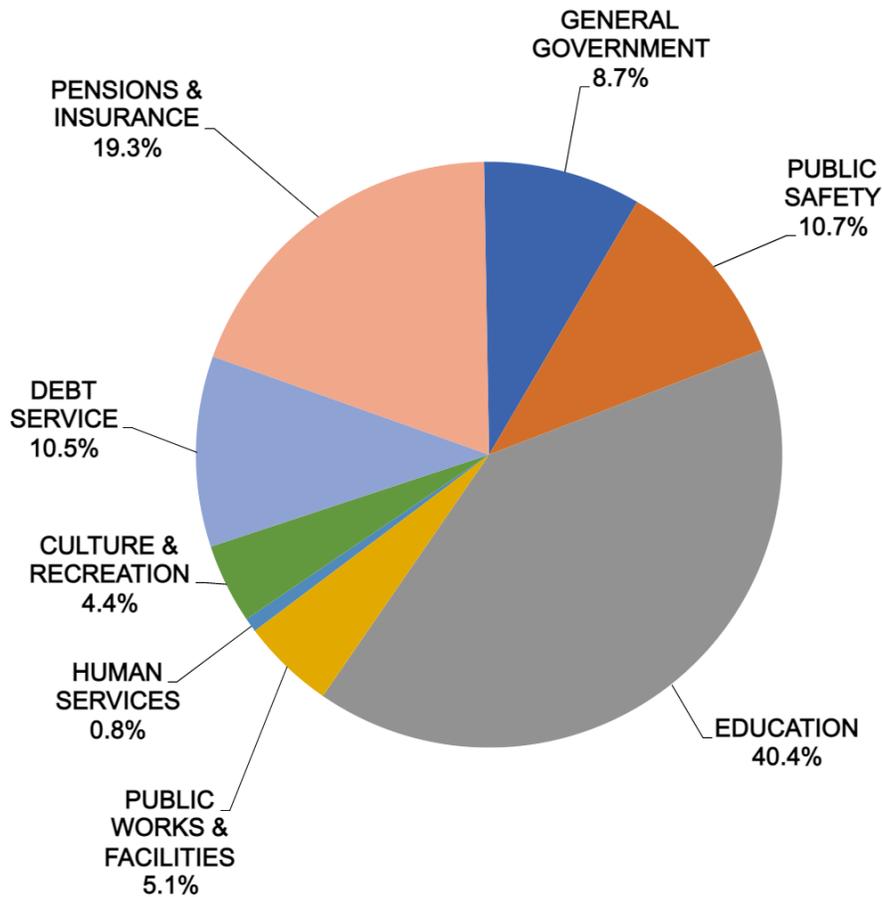
4. Operating Expenditures

Total Town operating expenditures consist of both the General Fund and the Water Enterprise Fund. The Water Department's operating budget (\$1,931,686 for FY22) is funded entirely through fees paid by water consumers. The General Fund budget includes all other operating expenditures.

The proposed FY22 budget is \$42,950,906. The General Fund total is \$41,019,220 exclusive of capital items and other articles.

The following chart shows the breakdown of expenditures by category (excluding Water Department expenditures). Education is the largest component, representing 40.4% of General Fund expenditures. This includes the Lincoln Public Schools, Lincoln-Sudbury Regional High School and expenditures for vocational technical high school students. For high school expenditures, 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.

Expenditures by Category: FY'22



The growth in the appropriated budget for the Lincoln Public Schools is 2.5%, exclusive of pensions and insurance. The budget for Lincoln-Sudbury Regional High School is shared between Lincoln and Sudbury; it reflects a two-part formula that incorporates relative wealth between the two towns and a three-year rolling average of the number of students enrolled from each town. The FY22 ratios are 12.4% for Lincoln and 87.6% for Sudbury, with Lincoln’s share up slightly from FY21. While Lincoln’s portion of the high school’s operating budget is based on the level service budget presented by Lincoln-Sudbury Regional High School to the Finance Committee, Lincoln’s assessment may be less than the recommended appropriation or less than the budget guideline due to factors discussed below (see the “Lincoln-Sudbury Regional High School” section

below). Any excess appropriation amounts for Lincoln-Sudbury Regional High School are added to the Town's Stabilization Fund (Article 14).

The General Government budget in FY22 is 2.3% above its level in FY21. The growth in the Public Safety budget is 2.4%. Pensions and Insurance expenditures for FY22 are projected at \$7,908,473, a 2.7% increase over FY21. Pensions and Insurance represent approximately 19% of General Fund expenditures.

Debt service for FY22, excluding debt service for Lincoln-Sudbury Regional High School and after application of the proposed CPC offset, is \$4,318,200 representing a 1.7% decrease versus FY21. About 97% of the Town's debt service is for the school building debt bonded in February 2019.

The categories of operating expenditures are covered in more detail in the departmental budget sections of this report.

A P&L-based presentation of Revenues and Expenditures for FY22 compared to FY21 follows:

Town of Lincoln				
FY2022 Proposed Budget				
	FY2021	FY2022	\$ change	% change
REVENUE				
TAX LEVY	30,197,310	30,984,118	786,808	
EXCLUDED DEBT	4,440,175	4,363,019	(77,156)	
LOCAL RECEIPTS	896,095	896,109	14	
STATE AID	1,721,533	2,149,484	427,951	
OTHER AVAILABLE FUNDS	162,092	162,093	1	
FREE CASH	4,727,676	5,883,813	1,156,137	
TOTAL REVENUE	42,144,882	44,438,636	2,293,755	5.4%
EXPENDITURES				
GENERAL GOVERNMENT	3,493,324	3,572,647	79,323	
PUBLIC SAFETY	4,296,767	4,399,377	102,610	
EDUCATION				
<i>Lincoln K-8 School</i>	12,046,087	12,347,239	301,152	
<i>Lincoln Sudbury High School</i>	3,792,961	3,906,750	113,789	
<i>Vocational School Assessment(s)</i>	325,850	333,996	8,146	
PUBLIC WORKS & FACILITIES	2,011,383	2,108,810	97,427	
HUMAN SERVICES	292,253	317,589	25,336	
CULTURE & RECREATION	1,765,597	1,806,139	40,542	
DEBT SERVICE	4,393,888	4,318,200	(75,688)	
PENSIONS & INSURANCE	7,698,005	7,908,473	210,468	
CAPITAL PLAN	1,715,822	2,928,365	1,212,543	
STABILIZATION FUND	21,014	18,376	(2,638)	
WARRANT ARTICLES	291,931	472,675	180,744	
TOTAL EXPENDITURES	42,144,882	44,438,636	2,293,754	5.4%

5. Capital Expenditures

The Capital Committee (CapCom) and the Finance Committee work collaboratively to enhance the Town's capacity to identify, prioritize, and understand the financial implications of capital projects and land acquisitions. The CapCom composition and charter were revised at the March 2012 Town Meeting. The committee is composed of 9 members: 5 At-Large Members, 3 of whom are appointed by the Board of Selectmen and 2 of whom are appointed by the Moderator; and 4 Representative Members, consisting of 1 appointed by and from each of the Board of Selectmen, the School Committee, the Conservation Commission, and the Library Board.

The CapCom reviews all requests for equipment and facility and infrastructure construction or improvements with a life of 5 years or more and a value of at least \$10,000. It also reviews maintenance warrant articles. During the past year, the committee continued to look longer-term and updated its 5-year capital plan. The Finance Committee strongly believes that timely maintenance, combined with a comprehensive understanding of the Town's assets, is the best way to protect the Town's investment in capital infrastructure. All proposed capital expenditures are also assessed to determine whether they might qualify for funding under the Community Preservation Act. Appropriate requests are referred to the Community Preservation Committee for review.

For FY22, the Finance Committee set budget guidelines of \$487,490 for capital expenditures and \$254,251 for the annual maintenance warrant articles, representing a 2.5% increase from the previous year. Initial FY22 capital requests (cash capital and maintenance) totaled \$3,216,586.

Most approved capital expenditures are financed within the annual budget. Expensive 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 capital items over several years, outside of the limitations of Proposition 2½.

The Capital Committee suggested the following disposition:

Recommended funding for cash capital:	\$557,692
Recommended funding for maintenance:	\$166,058
Recommended for bonding/capital exclusion/other funding:	\$2,204,615¹

These recommendations represented a preferred budget and were in excess of initial guidelines by \$2,306,181. Variations from guidance often occur, as capital projects are lumpy by nature. The projects recommended for bonding/debt exclusion/other funding consisted of \$1,824,615 for the replacement of the public safety radio communications system, which is currently an analog system using hardware which is no longer being serviced by any vendor and for which replacement parts are becoming difficult to source, and \$380,000 for refurbishment of Fire Department Ladder 1 to modernize safety and meet NFPA guidelines. In its recommendations, the Capital Committee

¹ CapCom has deferred to the Finance Committee for recommending timing and/or phasing for the public safety radio communications system project and the Fire Department Ladder 1 refurbishment.

noted that the public safety radio replacement could be staged over as many as three years, and the Ladder 1 refurbishment could be delayed one year and left it to the Finance Committee to determine the feasible timing for the projects. With the exception of the public safety radio replacement, Ladder 1 refurbishment, and an additional \$119,556 for Lincoln Public School fixtures, furniture, and equipment (FF&E), the approved items were within the recommended budget for cash capital and maintenance.

The Finance Committee has reviewed these funding requests and recommends the capital expenditure and maintenance articles at proposed levels, using available funds without needing any debt or capital exclusions.

Warrant Articles

Article 7	Cash Capital Expenditures		\$937,692
	Land Management Package	\$10,562	
	Fire Department Dive Gear	\$5,000	
	Lincoln Public School FF&E	\$410,556	
	LSRHS Aerial Fork Lift	\$4,998	
	LSRHS Tennis Court repair/resurface	\$5,468	
	LSRHS Replace passenger van	\$5,468	
	Replace 1 police cruiser	\$54,240	
	New cruiser/body cameras	\$61,400	
	Fire Department Ladder 1 Refurbishment	\$380,000	
Article 8	Public Safety Radio System		\$1,824,615
Article 10	Annual Classroom Maintenance		\$45,000
Article 11	Town Buildings Maintenance		\$71,058
Article 12	Library Maintenance		\$50,000

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 fund. Through FY07, the state matched local CPA revenues at 100%. Due to an increasing number of cities and towns participating in the CPA, a decline in funds to the state matching fund, and legislative changes for state funding sources, the amounts matched by the state have varied over recent years.

Lincoln received a percentage match on its fiscal year surcharges since FY10 as follows:

FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
34%	33%	34%	65%	40%	39%	25%	22%	22%	32%	38%

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 mandate of the CPC is: to study the needs of the Town in consultation with other municipal boards and committees; to solicit input from the Town as to its community preservation needs, possibilities, and resources; and to make recommendations to the Town for expenditures in four areas of community interest: open space, preservation of historic structures, community housing (defined as low to moderate income housing), and recreation.

Spending must be recommended by the CPC and then approved at Town Meeting.

Generally, the CPA also requires a minimum of 10% of annual revenues be spent on *each* of three categories: (1) open space (excluding recreation), (2) historical preservation, and (3) community housing. If the 10% annual minimum for a given category is not met, the shortfall must be “banked” and spent in subsequent years.

For fiscal periods 2003 through 2021, the CPC has recommended, and the Town has approved, funding for the following projects:

Town of Lincoln					
CPA Appropriations & Project Status					
Category		Appropriation	Paid to Date	Balance	Status of Project
75 Tower Rd Renovation		150,000	150,000	-	Complete
Admin Expenses		45,000	42,500	2,500	In progress
Arborvitae Cemetery		50,000	50,000	-	Complete
Battle Rd Farm Unit		150,000	150,000	-	Complete
Bemis Hall Repairs		639,985	533,150	106,835	Complete
Borrowing costs		63,111	63,111	-	Complete
Codman & Ballfied Rd- Athletic Fields Irrigation		400,000	190,310	209,690	In progress
Codman Barn A restoration		112,000	112,000	-	Complete
Codman Barn Repairs		111,500	71,672	39,828	Complete
Codman Farm Hay Barn structural study		5,000	5,000	-	Complete
Codman Farm Main Barn electrical work		15,000	15,000	-	Complete
Codman Farm Parking Lot & Driveway Improvements		210,000	-	210,000	In progress
Codman Pool Chemistry Controller		42,500	42,500	-	Complete
Codman Tot Pool Renovation		182,000	151,475	30,525	Complete
Community Housing Rental Assistance Prog		46,000	43,375	2,625	In progress
Conservation Stonewall Restoration		20,000	20,000	-	Complete
Construction of archival vault at the Library		489,097	489,097	-	Complete
Control invasive species on conservation land		51,280	51,280	-	Complete
Debt Service on Town Office Renovation		3,275,700	2,896,250	379,450	In progress
Debt service on Wang Ath Field		135,500	129,545	5,955	In progress
Flint Homestead Survey		8,000	7,860	140	Complete
Fund debt service on borrowing for CPC project		1,618,016	1,618,016	-	Complete
Funding of Affordable Housing Trust		4,217,829	4,217,829	-	Complete
Funding of Conservation Fund		487,359	487,359	-	Complete
FY15 FoMA area studies		6,000	6,000	-	Complete
Historic Properties Inventory		70,250	55,050	15,200	In progress
Historic records archive and preservation		311,599	271,939	39,661	In progress
Historic Town buildings needs assessment		25,000	25,000	-	Complete
Housing Consolidated Plan		20,230	17,230	3,000	In progress
Land Acquisition		2,125,000	2,125,000	-	Complete
	<i>Harrington Row property</i>	<i>350,000</i>			
	<i>Booth property</i>	<i>250,000</i>			
	<i>MacDowell property</i>	<i>400,000</i>			
	<i>DeNormandie property (Rt 2 parcel)</i>	<i>100,000</i>			
	<i>Schmid Property</i>	<i>200,000</i>			
	<i>Jerodel Property</i>	<i>100,000</i>			
	<i>Hargreaves-Heald</i>	<i>225,000</i>			
	<i>Wang Property</i>	<i>500,000</i>			
LSRHS Softball Field		50,000	-	50,000	Not needed
Model historic preservation restriction easement		5,000	5,000	-	Complete
Multi-sport Court		146,000	146,000	-	Complete
Pierce House Repairs		467,976	364,359	103,617	In progress
Reconstruct Bemis Hall Basement		290,000	107,946	182,054	Complete
Regional Housing Support Services		15,000	14,975	25	In progress
Rehabilitation of tennis courts		20,000	20,000	-	Complete
Repairs & Improvements to Lincoln Library		843,587	812,475	31,113	In progress
Repairs to historic cemetery monument		42,300	42,300	-	Complete
To Reserves		2,719,420	2,719,420	-	Complete
Smith School Playground		50,000	50,000	-	Complete
Sunnyside Lane		792,500	792,500	-	Complete
Tot-lot at Codman Pool		50,000	45,191	4,810	Complete
Town Office Renovation		1,000,000	1,000,000	0	Complete
Town Office renovation feasibility study		135,000	135,000	-	Complete
Wayfinding Battle Road Byway		1,000	-	1,000	In progress
Wetland Trail and Observation Platform		137,355	114,543	22,812	In progress
Grand Total		21,848,096	20,407,257	1,440,839	

This table summarizes money raised and appropriations to date:

CPA Revenues and Expenditures														
Revenues	FY '03-08	FY '09	FY '10	FY '11	FY '12	FY '13	FY '14	FY '15	FY '16	FY '17	FY '18	FY '19	FY '20	FY '21*
Town Rev's†	\$2,617,295	\$607,048	\$574,463	\$615,705	\$644,328	\$649,035	\$667,117	\$691,581	\$765,657	\$740,896	\$893,839	\$772,958	\$890,954	\$929,146
State Match	1,903,856	420,180	246,798	195,935	206,190	216,875	424,815	266,411	259,639	191,804	164,520	197,220	253,236	108,970
Total Revenues	\$ 4,521,151	\$ 1,027,228	\$ 821,261	\$ 811,640	\$ 850,518	\$ 865,910	\$ 1,091,932	\$ 957,992	\$ 1,025,296	\$ 932,700	\$ 1,058,359	\$ 970,178	\$ 1,144,190	\$ 1,038,116
Expenditures^d														
Housing	\$ 942,500	\$ 912,000	\$ 553,500	\$260,000	\$ 90,000	\$ 90,000	\$ -	\$ 151,600	\$ -	\$ -	278,329	\$ -	\$ 30,000	\$ 31,000
Historic	1,022,960	528,385	339,175	139,500	64,593	629,250	558,051	564,364	491,255	533,607	434,680	\$ 509,711	\$ 18,123	\$ 709,845
Conservation	800,000	56,585	20,300	400,000	-	20,000	62,774	-	525,000	70,512	541,088	\$ -	\$ -	\$ 89,000
Recreation	45,191.00	-	-	-	-	-	232,000	109,020	25,000	201,593	41,000		\$ 94,174	\$ -
Administrative	5,000	5,000	3,000	2,500	2,500	3,000	3,000	2,875	2,875	2,875	2,875	\$ 3,500	\$ 3,500	\$ 3,500
Total Approp's	\$ 2,815,651	\$ 1,501,970	\$ 915,975	\$ 802,000	\$ 157,093	\$ 742,250	\$ 855,825	\$ 827,859	\$ 1,044,130	\$ 808,587	\$ 1,297,972	\$ 513,211	\$ 145,796	\$ 833,345
* revenues not yet certified														
† includes interest earned														
# actual amount spent is shown, where less than appropriation														

At Town Meeting, the CPC anticipates recommending a total of \$1,281,834 of funding for the following projects:

Warrant Article 9

Proposal	Sponsor	CPA Category	Amount
Library Building Parapet Repair	Library Trustees	Historic	\$355,000
Town Office Renovation - debt service	Board of Selectmen	Historic	307,891
Conservation Land Acquisition	Conservation Commission	Conservation	200,000
School Green Playground Replacement & new Pre-Kindergarten Playground	School Committee	Recreation	161,200
Housing Rental Assistance program	Housing Commission	Housing	63,500
Drainage Study for Town Office Athletic Field	Parks & Recreation	Recreation	26,800
Housing Support Services	Housing Comm, Housing Trust, Lincoln Foundation	Housing	21,000
Conservation treatment of Photographs -from the late 1800's to 1940's	Archives	Historic	12,925
Conservation treatment of 3 Manuscript Documents from 18 th & 19 th centuries	Archives	Historic	3,975

Conservation treatment of 3 Maps 1894, 1901, 1908	Archives	Historic	3,570
Treatment of 8 Negatives of Plans of Bemis Hall (ca. 1890's)	Archives	Historic	3,310
Conservation treatment of Nelson photo glass plate negatives	Archives	Historic	2,855
Conversion of five 16mm Films about events & places in Lincoln to Qtime HD & MP4 files	Archives	Historic	558
One-time charge for digitizing set up and USB external drive for above items being digitized	Archives	Historic	250
Wang Property Debt Service (prior year vote)		Recreation	115,500
Administrative Expenses (CPA Coalition dues)		Admin	3,500
	TOTAL		\$1,281,834

7. Other Post-Employment Benefits (OPEB) Liability

The Town of Lincoln has a significant obligation to its current and retired employees for healthcare and other non-pension benefits after employment by the Town. These are also known as Other Post-Employment Benefits (“OPEB”), and they consist primarily of benefits received through the Town’s Postretirement Medical and Life Insurance Plan.

Beginning in FY09, as a municipal government, the Town of Lincoln became subject to Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. This accounting rule calls for municipal governments to report on the expected costs of the benefits that have already been earned by active and retired employees as well as the benefits active employees will earn in the future. The OPEB liability, first recorded by the Town in its FY09 financial statements, represents the present value of these benefits earned to date, which are estimated for the Town by an actuary. Biannual updates to the actuarial valuation are required. Many variables in actuarial assumptions contribute to the liability amount, including discount rate, demographics of retirees and active employees, how health care costs are shared between employees and the Town, and benefit eligibility.

Beginning in FY17, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, changed the requirements on OPEB accounting and reporting for the Town. GASB 74 requires additional disclosures and Required Supplementary Information schedules regarding the Town’s OPEB Trust Fund. Most of the reporting necessary for the new requirement is provided by an actuary based on data provided by the Town. GASB 74 also more tightly defines what discount rates can be utilized in the valuation based on the Town’s OPEB Policy and the funding status of the OPEB liability.

Beginning in FY18, GASB Statement No. 45 requirements were replaced by GASB Statement #75, *Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other*

Than Pensions, which most significantly obligates the Town to report its entire OPEB liability on its financial statements. Prior to the issuance of GASB 75, the OPEB liability was being “phased in” to the Town’s statement of net position over a 30 year period. Reporting the entire OPEB liability had a negative impact on the Town’s Unrestricted Net Position. However, bond rating agencies and other informed readers have been considering OPEB liabilities for years, and in February 2019 and in October 2020, Standard & Poors reaffirmed the Town’s AAA bond rating despite the impact on the Town’s FY18 financial statements.

The Town’s OPEB liability was originally estimated at \$61.7 million in 2007. Although there is currently no federal or state requirement to fund this liability, due to its large size and the ultimate need to meet the Town’s obligations, the Finance Committee and the Town have taken numerous steps to fund this liability and reduce its size.

Actions taken by the Town include establishing and depositing monies into an OPEB trust fund and adopting Section 18, under which qualified retirees must join Medicare. The Town also moved to provide health insurance through the Massachusetts Interlocal Insurance Association (MIIA) instead of self-insurance and made health care plan design changes. In FY17, the Town took further steps to reduce the cost of retiree prescription drug benefits by implementing a switch from Medex III to Medex II, and in FY18, the Town implemented additional plan design changes including increasing emergency room co-pays. Other changes put in place to reduce the liability include appointing the Massachusetts Pension Reserves Investment Management Board as the fund manager of the Town’s OPEB trust fund, and enacting a Finance Committee OPEB Policy in June 2015, subsequently revised in June 2017, December 2018, and March 2019 regarding trust fund contributions going forward.

The Finance Committee’s March 2019 revision to its OPEB Policy was motivated by recommendations from the Town’s actuary, as part of the actuarial valuation performed in December 2018, to consider how funding the OPEB liability interacts with the Town’s state mandated assessments under its pension obligation, which are estimated to climb steadily until the pension plan is fully funded in 2035 and then fall off sharply. As a result, the Finance Committee significantly amended our OPEB Policy to be less aggressive in its funding of the OPEB liability until the pension plan is fully funded, then to re-appropriate a portion of the “freed up” pension funding to OPEB for some number of years until the OPEB liability is fully funded. This new approach will materially smooth the combined required contributions by the Town over the next 25-30 years, arguably resulting in a more even distribution of resident tax burden across the decades.

To date, the Town has chosen to pay the portion of the annual cost that represents the current-year benefits to retired employees as well as appropriating amounts into the Town’s OPEB trust fund to partially fund the liability. From FY09 through FY19, the Finance Committee recommended, and the Town approved, increasing annual contributions to the OPEB Trust Fund, ranging from \$100,000 in FY10 to \$950,000 in FY19. In FY20 and FY21 the Finance Committee recommended, and the Town approved smaller contributions to the OPEB Trust Fund of \$650,000 and \$350,000 respectively, based on the Finance Committee’s latest OPEB Policy as noted above. In recent years the Water Department has also included amounts in their budget, \$40,000 in FY21, to transfer to the Town’s OPEB trust fund to cover their portion of the liability. The balance in the OPEB trust fund is now \$12,806,259.

As a result of the above actions, as well as changes in actuarial assumptions, the Town’s estimated unfunded OPEB liability has declined from \$61.7 million in 2007 down to \$43.4 million in 2015 and \$22.6 million as of the most recent July 1, 2019 valuation date, with the most recent small increase due primarily to changes in actuarial assumptions for mortality and morbidity costs of medical care.

The most recent actuarial valuation also showed an Actuarially Determined Contribution for FY20 of \$2.5 million, of which \$1.5 million represents current payments to retirees. The remaining \$1.0 million would be the amount that the Town would need to contribute to the OPEB trust fund annually to fully fund the liability over a 30 year period. In fact the Town contributed \$690,000 in FY20, which when combined with the current payments to retirees represents 89% of the Actuarially Determined Contribution.

For FY22, the committee recommends that Town Meeting appropriate \$350,000 (Article 15) as a further contribution to the trust fund against the liability. The Water Department has also included \$40,000 in its FY22 budget to transfer to the Town’s OPEB trust fund. In addition, the committee recommends that the Town Meeting appropriate \$30,375 for Lincoln’s portion of the high school’s funding of its OPEB trust (Article 16).

The Finance Committee continues to be alert to any additional actions needed to manage the Town’s OPEB liability, and we continue to explore options that could further reduce our liability without significant impact on the Town’s operations or capital plans. Our current practice of funding the annual cost of retirees and contributing an amount to the trust fund – as well as closely managing health care expenses – puts Lincoln ahead of many peer communities in addressing the OPEB issue.

Warrant Articles

Article 15	Funds for Group Insurance Liability Trust Fund	\$350,000
Article 16	Funds for Lincoln Sudbury Regional High School District Retirees Health Insurance Trust Fund	\$30,375

8. Estimated Property Tax Impact

The table shows the estimated tax impact on a median-value house for the proposed FY22 budget. The estimate assumes a median FY21 assessment value for a single-family home of \$1,048,000. FY22 assessment values will be determined in the fall when the Town sets its tax rate. Note: the

impact on individual homeowners who have undertaken construction or made improvements to their property could be higher.

FY22 Known Tax Increases					Potential Offsets to Reduce Taxes (To reduce debt service)				
Fiscal Year Impact	FY 2021	Prop 2.5%	Existing Debt Exclusions	Total FY19 Estimated Tax Bill	CPC Funds	Total Tax Bill	Potential Capital Exclusion(s)	Additional Debt Exclusion	Grand Total Tax Bill
		FY 2022	FY 2022	FY 2022	FY 2022	FY 2022	FY 2022	FY 2022	FY 2022
Increases/(decreases)		\$ 787,889	\$ 230,736	\$ 1,018,625	\$ (307,891)	\$ 710,734	0	0	710,734
Dollar Tax Impact		\$ 374	\$ 109	\$ 483	\$ (146)	\$ 337			337
% Tax Impact		2.30%	0.67%	2.97%	-0.90%	2.07%	0.00%	0.00%	2.07%
Median Tax Bill	\$ 16,265			\$ 16,748		\$ 16,602			16,602

9. Looking Forward

The Finance Committee works closely with the Town, the Lincoln Public Schools, Lincoln-Sudbury Regional High School, the Capital Planning Committee 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 Committee draws upon the expertise of the Town’s very able professional staff to manage Lincoln’s finances in the midst of uncertainties that impact both revenues and expenditures.

Revenue uncertainties include state aid which is dependent upon economic performance of the Commonwealth and local receipts, neither of which is known until after the Town’s budget is in place. On the expenditure side, the share of funding for operations at Lincoln-Sudbury Regional High School is calculated in two parts, each of which are subject to a formula that could result in an increase or decrease in Lincoln’s assessment each year. Health insurance costs and pension costs are subject to uncertainty and need to be estimated as part of the budget process.

In addition, the COVID-19 pandemic has created additional uncertainties on multiple levels. State aid and some local revenue sources have been directly impacted. Pandemic-related operating expenses, particularly for the school systems, are a major source of uncertainty. Finally, various state and federal funding sources are available for pandemic expenses (such as the recently passed American Rescue Plan Act of 2021), but the implementation details, criteria, and reimbursement timeframes are not usually known at budget planning time.

Some indicators point to improved pandemic and economic conditions. Interest rates continue to remain low: in October 2020, the Town issued \$2.24 million in bonds for water department projects at an average interest rate of 0.915%. Also, the assessed value of the median single family Lincoln home rose in FY21 to \$1,048,000, after steadily falling from a peak of \$948,400 in FY07 to \$796,700 in FY13. Town finances remain strong, and the Finance Committee is able to recommend an annual budget with no operating override for the fourteenth year in a row.

However, the Committee remains cautious about committing Town resources, chiefly due to the dependence on Free Cash in the operating budget and concern about the capital needs facing

Lincoln. Free Cash represents amounts accumulated from savings in prior years' budgeted expenditures as well as receipts in excess of budgeted sources. In recent years, the balance has grown due to savings in health insurance costs, higher revenues than estimated, and savings in the Lincoln Schools budget that were returned to the Town. Lincoln's high Free Cash balance of approximately \$7.4 million demonstrates the capabilities of the Town's professional staff and the success of a conservative budgeting philosophy. Nevertheless, Free Cash has become a greater share of the operating budget in recent years. In the FY22 budget, Free Cash represents 13.2% of projected revenues. As recently as FY08, that share was just 7.3%. The committee believes that savings which contributed to the current balance may come under pressure, and that there may be pressure on the tax levy in future years.

The Town took a major step forward with capital investments at its December, 2018 Special Town Meeting by deciding to move forward with a \$93.9 million renovation project at Lincoln School. At that meeting and following ballot, residents approved \$88.5 million of financing being raised via bond issuance, \$4.4 million appropriated from the Stabilization Fund, and \$1.0 million appropriated from Free Cash. This is the largest capital project in the Town's history. The Town raised \$80 million for this project through a bond issuance in February, 2019, and currently expects to raise the remaining \$8.5 million required in the first half of 2022. The Finance Committee understands that the large increase in debt service resulting from required bonding for this project is a burden for residents, and we have made it a priority to minimize the likelihood of requesting residents approve any additional debt or capital exclusions over the next couple of years.

Other new capital needs and projects are inevitable of course. The Finance Committee is mindful that the Town intends to resume discussion of whether to build a new Community Center on the Ballfield Road campus, after completion of the Lincoln School renovation project, potentially utilizing designs and ideas generated by the work in 2017 and 2018 by the Community Center Planning & Preliminary Design Committee (CCPPDC).

As a result, and as a matter of best practices, the Finance Committee will continue to act to preserve Lincoln's financial capacity and flexibility. For FY22, these actions include maintaining a budget that supports efficient operations and does not require an override for operations. Adding money to the Town's OPEB trust is an important step to take in support of Lincoln's long term financial health, given its substantial post-employment benefit liabilities.

In addition, the Finance Committee recommends that the Town continue to build its reserves. With the FY22 budget, we propose adding \$18,376 to the Stabilization Fund to buffer the impact of future capital projects on our property tax bills. Also, any appropriation to Lincoln Sudbury Regional High School not assessed to the Town would, as in previous years, provide additional funds to the Stabilization Fund, although this turnback amount is likely to be smaller than prior years due to revised guidance procedures by the Finance Committee for FY19 onwards which should reduce the gap between budgeted amounts and actual assessment.

In light of pandemic operating expense and reimbursement uncertainties, the FY22 budget maintains the Committee's FY21 decision to appropriate money to the Reserve Fund at a level above our policy guidelines. The Committee is recommending a Reserve Fund of \$742,000, representing about 1.7% of the prior year's operating budget, an increase over current policy of

1.3% of the prior year budget. Consistent with the Finance Committee's Emergency Reserves Policy, the FY22 budget deliberately sets aside Free Cash at a level of at least 3% of the prior year's operating budget and attempts to incorporate conservative estimates of uncertain revenues and expenditures.

The rating agencies and the financial markets are increasingly focused on local government financial results and financial policies that ensure sufficient reserves and that address future and contingent liabilities. The Town's AAA rating, its access to debt financing and its flexibility to consider major capital projects are all dependent on maintaining and improving sound financial decisions and practices.

10. Departmental Budgets

General Government

FY20 Actual	FY21 Budget	FY22 Proposed
\$2,747,176	\$3,493,324	\$3,574,450

General Information

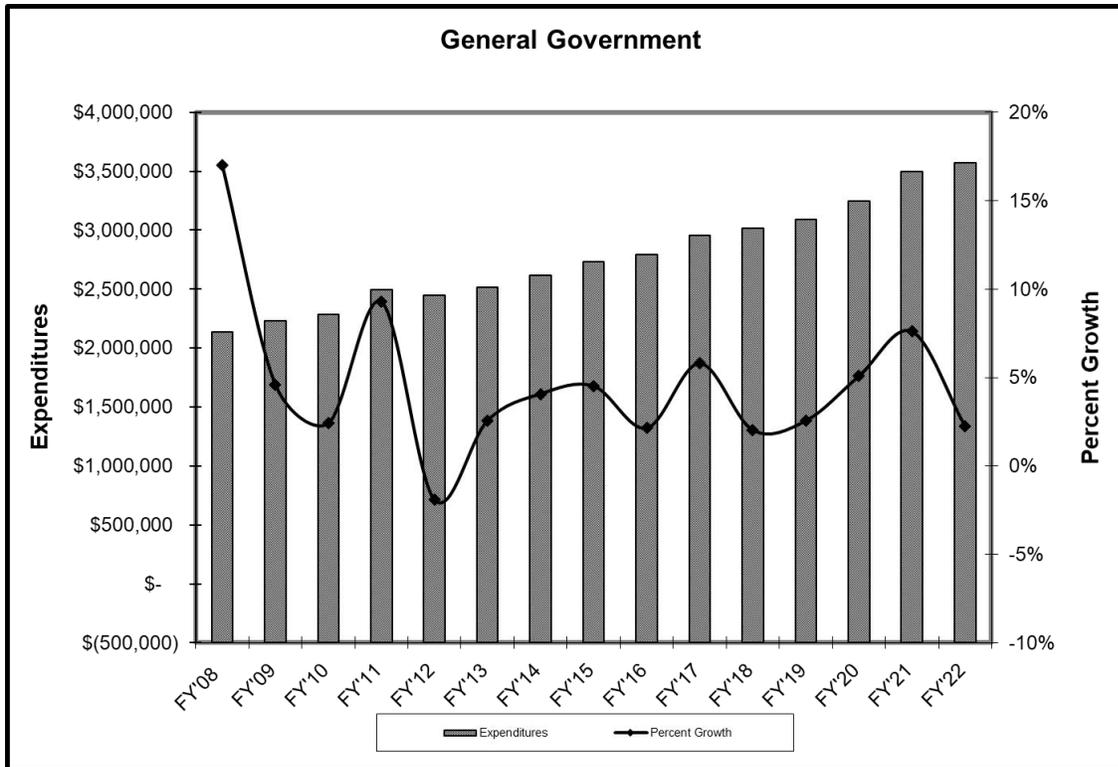
General Government includes: Town Moderator, Board of Selectmen, Finance Committee, Town Offices, Legal Services, Reserve Fund, Assessors, Law Department, Town Clerk, Town Archives, Registrar of Voters, Conservation Commission, Planning Board, Agricultural Commission, Board of Appeals, Town Report, Town Buildings, and Town Access PEG Cable. The largest account is Town Offices, which includes personnel costs and administrative and financial department expenses.

Key Issues

- The FY22 budget represents an increase of 2.3% vs the FY21 budget. 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. The Finance Committee recommends the Reserve Fund be set at approximately 1.7% of the prior year's budget (vs usual policy of 1.30%) to cover unforeseen expenses related to the pandemic. The Committee reconsiders this percentage annually based on risks and operating experience.
- This budget includes a new line item and budget (\$10,000) to support diversity and anti-racism initiatives.
- All Town labor agreements expire at the end of FY21. Negotiations have begun for successor agreements, but results are subject to collective bargaining. Given the uncertainty, town budgets assume a 2% cost of living adjustment for FY22.
- The total Town staff count remains relatively unchanged under the recommended budget. Additional hours have been added to the Clerk's office, and one position has been changed from part-time to full-time. It is worth noting that the total FTE count for the Town segment of the budget has not changed appreciably over the past 25 years, despite a significant increase in programs, services and compliance requirements.

Warrant Articles

Article 9 (CPA): Debt Service on Town Office Renovation	\$307,891
Article 11: Town Buildings Maintenance	\$71,058
Article 13: Annual Bright Light Award	\$500
Article 14: Debt Stabilization Fund Appropriation	\$18,376



Public Safety

FY20 Actual	FY21 Budget	FY22 Proposed
\$4,087,959	\$4,296,767	\$4,399,377

General Information

Public Safety includes the police department, the fire department, emergency medical services, the building department, the communications center, emergency management, the dog officer and the public safety building.

Key Issues

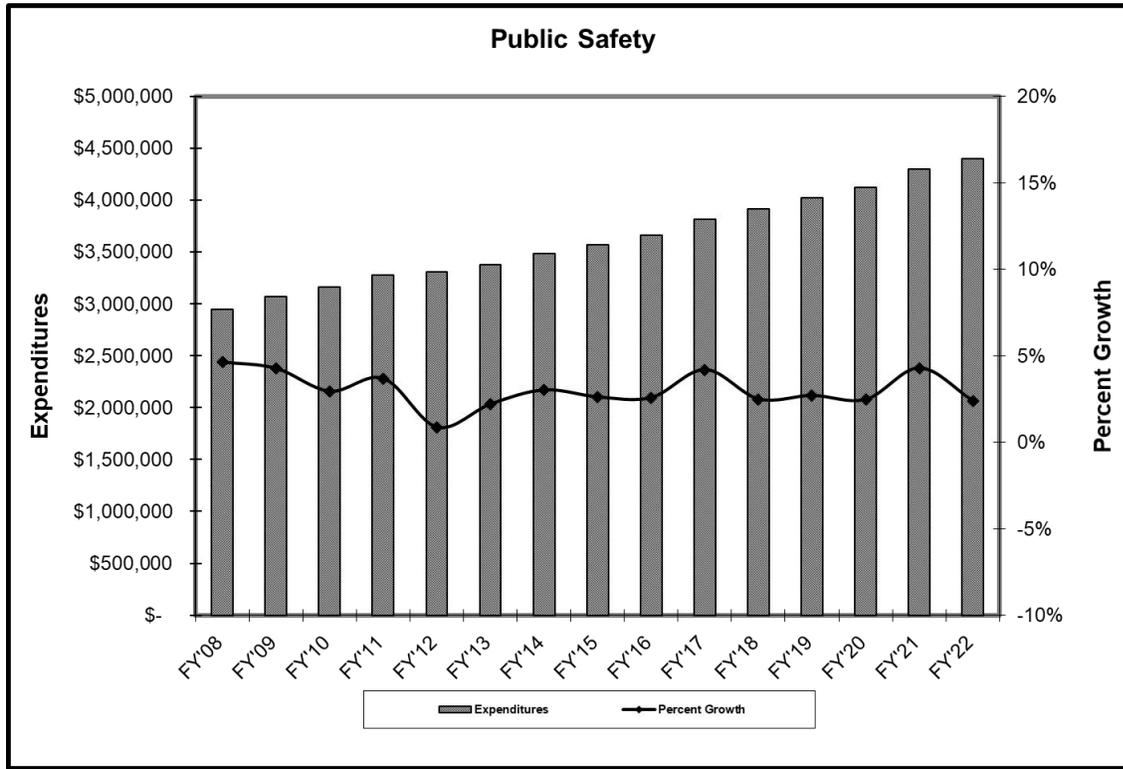
- The FY22 budget is a level services budget and represents an increase of 2.4% versus FY21.
- All Town labor agreements expire at the end of FY21. Negotiations have begun for successor agreements, but results are subject to collective bargaining. Given the uncertainty, budgets assume a 2% cost of living adjustment for FY22.

Warrant Articles

Article 7 (Cash Capital): Fire Department Dive Gear	\$5,000
Article 7 (Cash Capital): Fire Department Refurbishment of Ladder 1	\$380,000
Article 7 (Cash Capital): Replacement of one Police cruiser	\$54,240

Article 7 (Cash Capital): Police cruiser & body worn cameras
 Article 8: Public Safety Radio System

\$61,400
 \$1,824,615



Lincoln Public Schools

FY20 Actual	FY21 Budget	FY22 Proposed
\$11,606,768	\$12,046,087	\$12,347,239*

*Note: this “base budget” amount does not include an additional \$263,281 for possible COVID expenses. See below for details.

General Information

The Lincoln Public Schools District serves students from Pre-School through Eighth Grade from three communities: Lincoln resident students, children who reside and attend school on Hanscom Air Force Base, and students who reside in Boston and attend the Lincoln School via the METCO Program. Additionally, many children of Lincoln town employees attend school on the Lincoln campus. The student population is diverse with students who speak more than 30 languages.

Schools on the Lincoln campus are supported about 90 percent by appropriation of Town funds and about 10 percent by fees, reimbursements and several state and federal grant programs. The

Hanscom school budget is funded by a contract with the U.S. Department of Defense Education Activity. The DoDEA contract was renewed in FY21 for five years and benefits Lincoln because Hanscom shares the cost of the district's central administration and common special services.

FY22 Budget Request for Lincoln Schools

Education is Lincoln's biggest investment – about 40% of the Town's operating budget is dedicated to running our schools. Note: costs for the Lincoln School Building Project are funded separately, and an update is included later in this report.

The Lincoln School Committee has approved a \$12,347,239 operating "base" budget request for FY22, within the 2.5% increase guideline issued by the Finance Committee. This budget assumes a return to pre-pandemic educational models and class sizes.

In addition, the Lincoln Schools have provided estimates for possible FY22 COVID expenses, for up to \$263,281 in excess of the base budget. Note: this estimate is inclusive of pandemic-related grants and reimbursements known as of April 2021, including the Federal ESSER I and ESSER II COVID protection grants. However, the estimate does not factor in possible Federal reimbursements from the American Rescue Plan Act of 2021 ("ARPA"), as the implementation details are not fully known at the time of this writing. To address this budget uncertainty, the Finance committee is recommending additional funds be budgeted for the Town's Reserve Fund. These funds may be authorized by the Finance Committee during the fiscal year, for COVID expenses not reimbursed by state or federal funding.

Personnel costs for faculty and staff continue to comprise about 80 percent of the District's operating expenses and are set by contract. The number of teachers and support staff on each campus is determined by enrollment, class size policy, the individual needs of our students, and COVID-19 safety protocols.

The remaining portions of the budget are dedicated to general operations, materials, utilities, food service, transportation and routine maintenance.

Key Issues for the FY22 budget:

- Possible COVID-related expenses and unknowns including requirements for a larger number of student sections and direct expenses (surveillance testing, PPE, etc). These expenses will depend on the trajectory of the pandemic during the 2021 calendar year.
- Utility costs may differ from estimates as we use temporary classrooms and school spaces during renovation of the Lincoln school buildings, and as we transition to operating the renovated all-electric Brooks building.
- Unanticipated costs of equipment, storage or other needs may arise due to the school building project.

District Enrollment

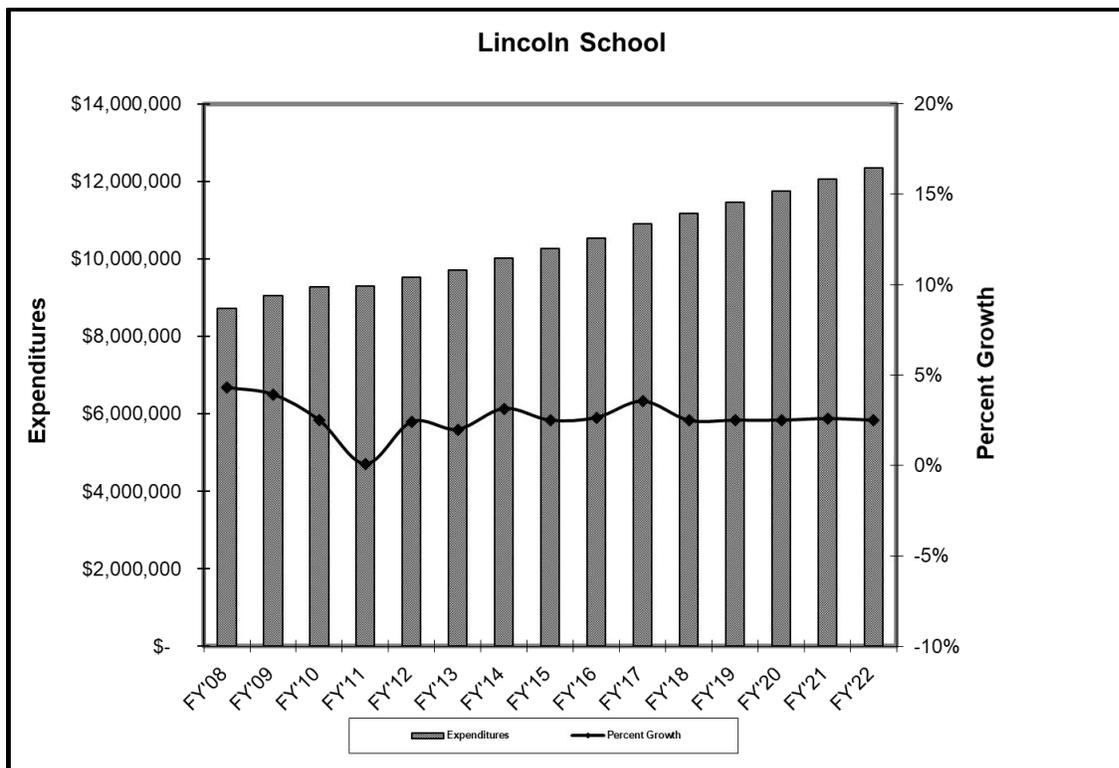
Lincoln’s school budget is dependent on enrollment, student needs, and class size. The Lincoln Public Schools were among only 3 percent of Commonwealth school districts to provide in-person learning five-days-a-week during FY21. This required a greater number of smaller class sizes in order to maintain distance between students attending in person. Approximately 80 percent of students attended in-person, and 20 percent chose to attend remotely. Projected enrollment and the number of class sections for FY22 is estimated to return to pre-COVID-19 levels depending on the trajectory of the pandemic.

As of October 1, 2020, the LPS total district enrollment Pre-K-Grade 8 both in-person and remote was 1,048 students. This represents 516 students on the Lincoln campus (including 85 students enrolled through the state’s METCO program and 16 children of Lincoln employees,) and 532 students in the Hanscom schools.

In the district total are 23 students in out-of-district placements and seven students from other districts in our CASE (Concord Area Special Education Collaborative) classroom.

Warrant Articles

Article 10: Annual Classroom Maintenance	\$45,000
Article 18: Transfer Medicaid reimbursements into budget	\$14,300



Mission and Progress on Educational Strategic Objectives

The Lincoln Public Schools seek to unite our communities in challenging and equipping our students to acquire essential skills and knowledge, think creatively and independently, exhibit academic excellence, appreciate and respect diversity, display creativity, value reflection, and demonstrate social and emotional competencies. In addition, the District is committed to providing in-person learning during the COVID-19 pandemic.

To meet these goals, the School Committee and District Administration annually adopt Strategic Objectives. This year, the objectives focused on four goals:

- **Educator Growth and Innovation:** Educators demonstrate continual growth, professional collaboration, innovation, and risk-taking built on a shared vision of effective teaching and practices and equity for all students
- **Curriculum:** Curriculum is engaging, provides high cognitive demand, and supports the creative, social and emotional development, and academic growth of all students
- **Instruction:** Instruction is student-centered and focused on the engagement, achievement, and social and emotional development of all learners
- **Equity and Culture:** Educators and students work together to build a school culture that values, respects and responds to students' identities and develops the social and emotional well-being of all students.

Learn more about the District Strategic Plan at <https://www.lincnet.org/strategicplan>

To meet these objectives as well as to follow COVID-19 safety guidance and to grow as an anti-racist district, a variety of work is taking place in our schools, including:

- Development and implementation of plans for district and school operations under COVID-19 pandemic conditions, along with contingency plans for changing models as dictated by COVID-19 conditions.
- Development of a multi-year action plan to mitigate the impact of racism on access to an equitable school experience for all students and families, and become an antiracist district.
- Continued professional development focused on high-quality instructional practices as well as on incorporating technologies for learning during COVID-19 conditions.
- Work with the MA Department of Elementary and Secondary Education's Kaleidoscope Collective to develop "Deeper Learning" practices in our classrooms.

School Building Project Update

The school building project is the largest capital project in the Town's history. The Finance Committee works closely with the School Building Committee (SBC), the School Committee, and the town professional staff to track schedule and budget risks.

100% Construction Document Phase and Bid Documents (April 2019 – June 2020): In December 2019, the Lincoln School project went out to bid. Despite four sets of cost estimates in the prior two years and three rounds of value engineering (including one just two months prior), construction bids came in \$3.5M over budget. The SBC needed to remove many key features and items that impacted the educational program, such as: auditorium renovations, design features that admit and control natural light, a significant reduction in the budget for furniture, fixtures equipment and technology, walkways & bike paths, courtyards and a reduction in the playgrounds.

In early March, the SBC voted to give residents the opportunity to approve funding at Town Meeting to restore key elements to the project totaling about \$2M. It began working with the Finance Committee to identify possible sources of funding.

That effort was paused in mid-March when the COVID-19 virus hit.

After last year's Town Meeting was rescheduled to June 2020, and with revised guidance from the Finance Committee, the SBC revisited the proposed list of items it wished to reinstate by asking the following questions:

1. What is the decision deadline for the item?
2. Can the item be added at a later date?
3. If it can be added, what is the potential cost impact?

Based on those criteria, the SBC reduced its request to \$829K, comprising \$629K in essential items and \$200K for furniture fixtures, technology and equipment (FF&E) to be sourced from Free Cash.

At the June 2020 Annual Town Meeting, residents approved an appropriation of about \$829K to reinstate many crucial elements back into the project. Additionally, residents approved the use of \$325,000 from the Cable Revolving Fund to be used for technology upgrades in the project.

Private Donations & additional funding: After the June 2020 town meeting, many town residents & organizations stepped forward with private donations to reinstate additional key elements of the school project. Reinstated were:

- Auditorium Upgrades (\$254,651)
- Concrete walkway west of Learning Commons & interior benches (\$32,218)
- Commons plaza & benches (\$77,293)
- Brooks bike path (\$28,223)
- Smith bike path (\$36,926)

Additionally, the Lincoln School graduating Class of 2020 established a Tree Fund to pay for new trees and plantings on campus. Through generous community support the fund has nearly reached its goal of \$50K.

Guaranteed Maximum Price: In late March 2020, the Guaranteed Maximum Price (GMP) for the project was approved, including:

- Construction Cost: \$78,324,908
- List of Allowances: \$1,489,700 (work that is anticipated but not yet fully designed or scope that is not yet defined until the project begins)
- Project Schedule: Anticipated start and completion dates, including important milestones:
 - Modular classrooms: Complete
 - Phase 1: Start, June 22, 2020; Substantial Completion, June 22, 2021
 - Phase 2: Start, July 8, 2021; Substantial Completion, July 8, 2022
- A COVID-19 Clause which shared potential financial impacts of COVID-19 related expenses.
 - Our Construction Manager, Consigli, had a construction contingency of \$1.7M built into its contract. The new agreement allowed them to use the contingency for COVID-related expenses. Any expenses Consigli identified as being due to COVID-19 could be submitted for approval to Daedalus, our Owner's Project Manager and/or the SBC.
 - If all of Consigli's contingency are used, they may be reimbursed for COVID-related expenses for up to 25% of their contingency (\$425K).
 - The Town's exposure is capped at \$425K for COVID-related expenses.

Construction Phase (June 2020 – present): Phase 1 demolition and construction began in June, 2020. Phase 1 includes renovation or construction of the Reed Gym, the connector between the gym and the auditorium, The Donaldson Auditorium, the Lecture Hall, the Brooks Middle School, the new kitchen, and Dining Commons. Phase 1 is currently running close to being on budget and on time, and is projected to be completed in June, 2021.

Solar Update: To address the Town's sustainability goals for municipal buildings, the School Building Committee proposed, and the Town agreed, to design buildings and systems in the buildings that, other than the emergency generator, are powered entirely by electricity, and to provide that electricity with a sufficient number of solar photovoltaic ("PV") panels to meet all of their energy needs when measured on an annual basis (i.e. to be "net zero energy"). To eliminate the need to provide upfront financing for the solar PV project, and also because the state and federal financial incentives for such solar PV systems are in the form of tax incentives only beneficial to a taxpaying entity, the School Building Committee decided to enter into a power purchase agreement ("PPA") with a third party provider of such systems, and it formed the PPA Subcommittee to select such a counterparty and pursue such an agreement. As of the date of this

report, the School Committee has entered into a contract with SunPower Corporation as the counterparty to provide the solar PV system, through a municipal solar program organized by PowerOptions, Inc. that is administered under Massachusetts G.L. c 164. PowerOptions is a nonprofit organization that has negotiated low electric rates for Lincoln Schools for many years.

The final price for the electricity will be determined at the time that the array becomes fully operational, based on the state energy and federal tax incentives that are in effect at that moment. The currently proposed solar PV system will have approximately 1.4 MW of PV panels spread across the Smith and Brooks School roofs, as well as canopies above both Smith and Brooks parking lots. Collectively the PV panels will produce approximately 1.5 million kW hours of electricity annually, meeting the electricity consumption needs projected by the school architects. There will be some preparatory construction in the Brooks parking lot in the summer of 2021, and then the installation of the solar PV system is expected to occur in one deployment after the renovation of both Smith and Brooks buildings is substantially complete, starting in June, 2022.

The system should be fully operational by October, 2022.

Contingencies: The School Building Project carries many contingencies in its budget, carried throughout the design and construction process to cover costs that cannot be accurately determined at a given time. Some contingencies are designed to be used in certain phases of the project. The contingencies being carried at this portion of the project include:

1. **Construction Manager Contingency:** This contingency is included in the construction cost estimates and is carried forward into the construction manager's Guaranteed Maximum Price (GMP). This CM contingency is used during construction to cover items inadvertently omitted by the construction manager during the estimating and bidding process, subcontract bid overages (bid savings are added back in) or any other "cost of work" omissions in the CM's GMP. Any unused CM contingency is returned to the Owner at the completion of the project. The original CM contingency at GMP was \$1,671,234. As of mid- March 2021, \$633,521 (38%) had been expended, leaving a balance of \$1,037,713.
2. **Project & Soft Cost (Owner) Contingency:** This contingency is carried in the overall project budget to cover the cost of any overages in individual "soft cost" line items. This includes additional design and administration costs or furniture and equipment expenditures over the project allowances. The original Lincoln School Project Owner Contingency was \$400,000 and is currently \$355,515.
3. **Construction Contingency:** This contingency is carried in the project budget and is used to cover unanticipated or unexpected construction cost during the construction period. This contingency may also be used to fund additional construction costs associated with incomplete design documents or owner directed changes. Additionally, COVID related expenses are covered by this contingency. The Lincoln School Construction Contingency is \$4,017,453 or approx. 5.8% of total construction costs. Currently, 37% of the contingency has been used, with \$1,475,174 of expenditures approved.

Contingency Breakdown Phase I

Phase I Expenditures to date	\$1,274,448
Change Order #12	\$200,726
Phase I Potential CO's	<u>\$539,781</u>
	\$2,014,955

50% remaining est. at end of Phase I

Contingency Breakdown Phase II

Phase II est. Expenditures	\$420,288
Projected CO's	<u>\$662,576</u>
	\$1,082,864

Contingency Remaining

Remaining	\$919,634
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Contingency \$4,017,453



34

Furniture, Fixtures & Equipment (FF&E): As was discussed last year at this time, the original budget for FF&E was \$2.1M. When the construction bids came in over budget, \$1.5M was taken out of the FF&E budget to help close the gap. At last June's Town Meeting, the town voted to increase the remaining FF&E budget by approximately \$200K.

With the Middle School opening this Fall and the Primary School scheduled to open in Fall 2022, the administrative team took a detailed look at what could be purchased with the existing FF&E budget, what additional FF&E is required for the opening of Middle School, and what could be delayed until further funding is available.

In preparation for this year's Annual Town Meeting, the SBC and the School Committee requested \$530,113 from the Capital Planning Committee. CapCom approved \$410,556 for FF&E as part of their guidance budget. Additionally, the Lincoln Public Schools received the Finance Committee's endorsement & support (one time only, not to establish a precedent) to use any excess operating funds from FY21 toward capital expenditures of FF&E for the school building project.

Warrant Articles

Article 7 (Cash Capital): Lincoln Public Schools FF&E	\$410,556
Article 9 (CPA): School Playgrounds	\$161,200
Article 20 (Cable Television Revolving Fund): School Building Project Cable-Related Costs	\$60,000

Lincoln-Sudbury Regional High School

	FY20 Actual	FY21 Final Appropriation	FY22 Proposed ***
Total Budget	\$32,886,414	\$33,915,340	\$34,864,792
Offsets *	-\$3,527,040	-\$3,526,725	-\$3,657,768
Total Assessment	\$29,359,374	\$30,388,615	\$31,207,024
Lincoln Assessment **	\$3,550,493	\$3,676,335	\$3,876,655
Lincoln Appropriation	\$3,846,292	\$3,792,961	\$3,906,750

* Offsets include State and Other Revenues.

** Due to Sudbury’s budget process and Sudbury Town Meeting occurring after Lincoln’s process, Lincoln’s Assessment is subject to change after Lincoln’s budget is finalized. In recent years, any amount from Lincoln’s Appropriation that is not assessed, has been moved to the Stabilization Fund.

*** FY22 Total Budget, Offsets, Total Assessment and Lincoln Assessment are current estimates and are subject to change based partly on the budget process and vote in Sudbury.

General Information

The FY22 proposed budget for Lincoln-Sudbury Regional High School generally reflects the continuation of current service levels and meets the Town of Lincoln’s budget guidance. The budget aspires to carry forward most existing staff positions, including maintaining 4.0 FTE of staffing for LS Academy, in the operating budget. Due to financial assumptions as outlined below, including net positive impact of the Governor’s budget, which included an increase in Chapter 70 and a slight decrease in regional transportation, the District has recommended modest staffing increases of .50 FTE in Faculty, to include a .25 position for Mandarin and .25 position for Computer Science.

In FY20, LSRHS launched LS Academy. The objective of the program remains to allow a cohort of students who would otherwise be placed in non-LS, tuitioned, off-campus programs to be brought back onto campus, receive their education and services from LSRHS faculty and staff and provide an opportunity for inclusion in activities and programs on campus, and realize a cost savings relative to off-campus tuition costs in the process. This program offers the possibility of both cost avoidance and cost reduction. It was projected that LS Academy would be cost neutral within its first 2-3 years. Target enrollment for LS Academy in FY20 was 5-10 students; enrollment as of January 2021 is 20. In FY20, the program was cost effective and funds set aside from Excess and Deficiency (E&D – LSRHS free cash equivalent) to underwrite the launch were offset entirely by cost savings in out-of-district tuitions. Estimated FY21 tuition cost avoidance to the District was at least \$1.07M before any Circuit Breaker reimbursement, relative to the expense

the District would have incurred had the students been placed out-of-District. The program is continuing to be administered off-site in North Sudbury.

The budget also reflects the continuation of the negotiated agreements, FY22 being a new single-year contract versus the typical 3-year, due to the COVID-19 pandemic, for teacher and staff compensation, that include a 0% Cost of Living Adjustments (COLA) for FY22 as follows:

	COLA EFFECTIVE DAY	COLA MULTI-YEAR
	1	
JULY 1, 2021-JUNE 30, 2022	0%	N/A

The district is anticipating an 2.89% increase in expenditures for regular and special education transportation. Out-of-District tuition is currently expected to increase 13.98% net of Circuit Breaker reimbursement from the state. Health insurance is slated to decrease by 5.8% due to a change in health insurance providers. A 5% increase in pension funding is in the budget. The budget reflects a reduction in funding allocation for its Other Post-Employment Benefits (OPEB) accrued actuarial liability for FY22 to \$250,000, down from \$383,109.

The Lincoln appropriation encompasses operating expenses, including employee benefits, as well as debt service. The allocation of the required minimum contribution between Lincoln and Sudbury and the enrollment figures for FY22 are based on the Governor’s Budget Chapter 70 numbers as well as the Required Minimum Contribution Amounts as established by the Department of Elementary and Secondary Education (DESE). The Governor’s Budget is subject to affirmation by the State Legislature.

LSRHS enrollment for FY21 is 1525. The number of Lincoln students attending LSRHS is 180 in FY21 (October 1, 2020 enrollment) and is projected to be **179** in FY22. Projections as of October 1, 2020 indicate that the overall on-campus enrollment could fall as low as 1264 by FY27. While enrollment is declining, staffing has remained almost constant, with modest partial FTE reductions in FY21. There will be modest increases for FY22 in order to meet State frameworks and increased demand in Computer Science, as well as a .25 FTE increase in Mandarin to provide a full four years of instruction. The projected number of students in out-of-district educational placements is level at 51 in both FY21 and FY22.

Each town’s share of the annual payment obligation for LSRHS (assessment) consists of two pieces: the amount within the levy (operations) and the amount outside the levy (capital/debt). The amount within the levy is assessed in two parts. The first portion is a minimum contribution mandated by state law and determined by DESE. The allocation of this portion is determined by a number of factors that include enrollment at LS relative to the total student population of each town, and a property wealth formula established under state law and updated annually. The second portion is the amount of funding above the required minimum contribution. That portion is allocated based upon a three-year rolling average that measures each town’s portion of students enrolled at the high school, as well as out-of-district special education and charter/school choice programs. The amount of the assessment outside the levy is typically dedicated to capital projects.

These projects can be financed with debt or on a one-time basis. The amount of the assessment outside the levy is apportioned based on the same three-year rolling enrollment proportion.

Lincoln's share of the blended total (net) assessment for FY22 incorporating the two factors described above will be 12.4%, up slightly from FY21's 12.1%. Lincoln's apportioned share for LSRHS has been 12-16% for the last 20 years. Lincoln's minimum contribution for FY20 is 12.7%. Lincoln's share of LSRHS funding above the required minimum contribution is confirmed at 12.15% for FY22, down from 12.17%, reflecting a very slight decline again in the three-year rolling average of Lincoln students enrolled at LSRHS.

The LSRHS Total Budget, as shown in the opening chart is the sum of the operating budget, which is subject to Lincoln and Sudbury's respective Finance Committee guidelines, and capital/debt, which is determined by the terms of the existing construction bonds or new capital projects. The Offsets are then subtracted to determine the Total Assessment. The Lincoln Assessment is then determined by the two-part apportionment ratio.

The LSRHS Regional Agreement requires that the LSRHS budget be the lowest budget approved by Lincoln or Sudbury. Both the Lincoln and Sudbury Finance Committees adopt annual budget guidelines that establish an allowable increase in spending for the upcoming year. The Lincoln guideline for FY22 is 2.5%, with an additional factor built in to allow for accommodation of variances in the allocation for both towns. This guideline is applied to the LSRHS budget after first accounting for the cost of debt service, health and other insurances, and pension and OPEB contributions. At the time this report was written, Sudbury's guideline was set at a 2.8% increase over its FY21 assessment, inclusive of pensions, insurance and OPEB. It is anticipated that Sudbury's guideline will be more restrictive than Lincoln's guideline.

It is possible that the amount of funding for LSRHS that is available under the Lincoln Finance Committee's guideline will not be required for spending in FY21. The Finance Committee recommends that any allocation to LSRHS that is not required to fund its final budget assessment be transferred to Lincoln's Town Stabilization Fund to use for needs in subsequent years.

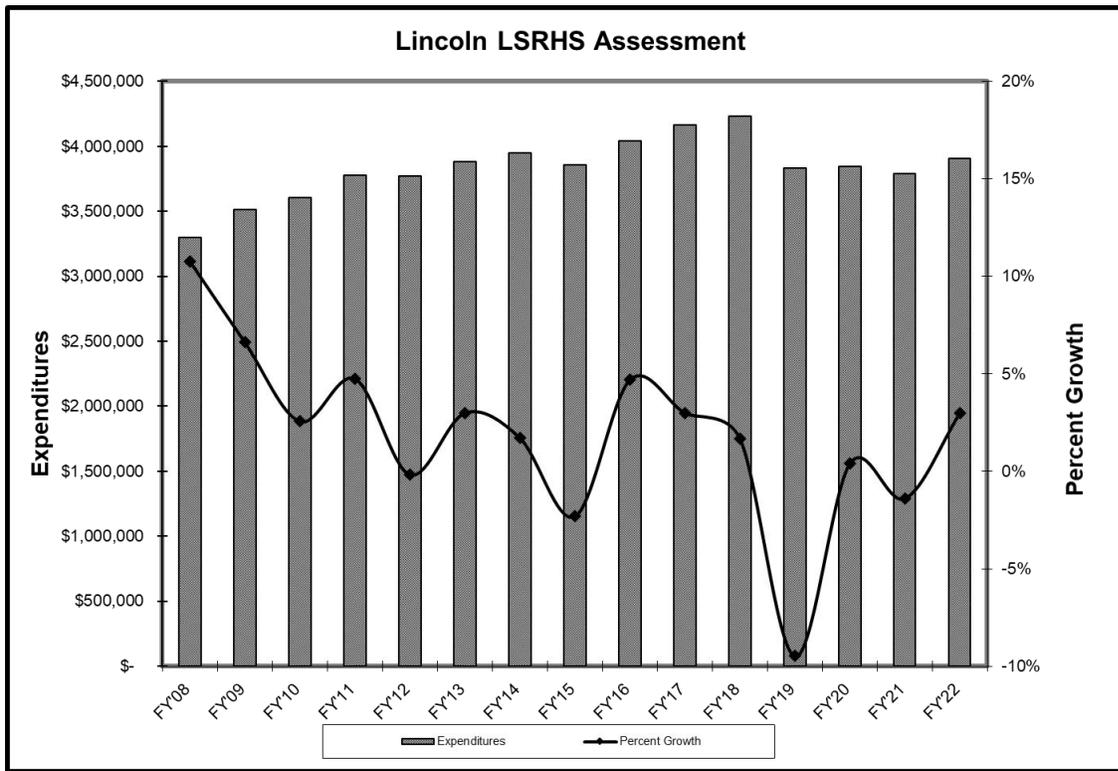
Key Issues

- The proposed FY22 budget meets Lincoln's budget guideline.
- The proposed budget retains current educational programs, inclusive of LS Academy, modest adjustments upward in personnel for Computer Science and Mandarin. It requires higher costs for out-of-district and in-district transportation, reduced funding for OPEB, elimination of salaries for van monitors, increased Out-of-District tuition costs, reduction in health insurance and increased pension costs, reduced projected utility costs, and level funding for instructional capital.
- The current on-campus enrollment is projected to decline slightly in FY22, and the projection is for steady decline over the next five years.
- The proposed aggregate budget increase is 2.8% (each 1% is \$339,153).

- Lincoln’s share of the total assessment for FY22 is 12.4%, a slight increase from FY21.
- Lincoln’s FY22 total assessment based on the aggregate budget is projected to be \$200,320 higher than FY21.

Warrant Articles

Article 7 (Cash Capital): Tennis Court Repair/Resurfacing	\$5,468
Article 7 (Cash Capital): 15-Passenger Student Van	\$5,468
Article 7 (Cash Capital): Aerial Lift	\$4,982
Article 16: Other Post-Employment Benefits (OPEB) Trust Fund for LSRHS	\$30,375



**Annual Town Report: FY19
Lincoln-Sudbury Regional High School
Executive Summary**

Introduction

The high school serves students from the towns of Lincoln and Sudbury. As such, the school is comprised of students from the Pre-K to 8th Grade “feeder” districts, resident students of the towns that attended non-public schools, and students from Boston who participate in the Metropolitan Council for Educational Opportunity (METCO) program. This section compares Lincoln-Sudbury

to the following neighboring and peer districts: Acton-Boxborough, Bedford, Concord-Carlisle, Lexington, Newton, Wayland, Wellesley, and Weston.

The comparative information provided herein is based on the data provided by the State’s Department of Elementary and Secondary Education (DESE). Data for the 2019-2020 school year is used where available. This data is available at <http://profiles.doe.mass.edu>.

Expenditures

The residents of Lincoln and Sudbury provide a high level of support to their regional high school. In turn, the high school provides a high quality educational experience to its students at a fiscally responsible per pupil expenditure. As shown below, Lincoln-Sudbury’s per pupil expenditure in FY19 was \$22,757, above the group average.

District	FY19 Per Pupil Expenditure	Out of District Tuition as % of Budget
Acton-Boxborough	\$16,428	8%
Bedford	\$19,925	8%
Brookline	\$20,543	3.3%
Concord-Carlisle	\$23,573	10.3%
Lexington	\$18,687	7.2%
Lincoln-Sudbury	\$22,757	10.2%
Newton	\$20,220	4.6%
Wayland	\$19,443	3.7%
Wellesley	\$21,016	6.1%
Weston	\$25,846	3.4%
Average:	\$20,844	6.48%

Graduation Rates

There are many data points to determine the effectiveness of the educational program at the high school. The state provides comprehensive analysis of MCAS results. These include scores on standardized tests, such as MCAS, and graduation rates. For the class of 2020, Lincoln-Sudbury had a 4-year graduation rate of 95.6%, lower than the average among the peer groups – 96.5%.

4-Year Graduation Rates	
Acton-Boxborough	97.2%
Bedford	95.1%
Concord-Carlisle	98.3%
Lexington	96.6%
Lincoln-Sudbury	95.6%
Newton	96%
Wayland	97.1%
Wellesley	95.9%
Weston	97.1%
Group Average:	96.7%

MCAS Results

LSRHS administered the “next-generation” MCAS Math and English to students for the first time in FY19. Criteria for scoring the “next-generation” tests vary greatly from the former “legacy” tests. The “legacy” test will be administered in Science until the "next-generation" Science and Engineering test is available, Spring 2022 at the earliest.

The Spring 2020 MCAS was not administered due to the cancellation of state assessments and school closures related to the pandemic.

Class Sizes

With the modest staffing reductions and FY21 seeing a very small increase in enrollment, LSRHS has seen an increase in the percentage of students in classes with 25 students or more.

The chart below is based on FY21 Semester 1 enrollments. The higher % enrollments in history, math and science are due in part to expanding double enrollments by students in those subjects.

% of Students in Classes of 25 Students or More

	FY19	FY20	FY21
Computer * (Instructional Technology)	30%	14%	61%
English **	10%	3.5%	36%
Fine, Applied, and Technical Arts (FATA)	22%	16%	19%
History	26%	34%	39%
Math	22%	24%	33%
Science	23%	43.2%	44%
World Language	21%	17%	26%
Wellness	20%	15.4%	21%

*The increase in Computer Science classes in excess of 25 students was COVID-19 driven, as studio-based art classes and woodworking were capped for social distancing at a reduced enrollment and many students opted for computer science as the alternative.

**The increase in English classes in excess of 25 students was due to an FTE reduction in FY21.

Vocational Technical High Schools

FY20 Actual	FY21 Budget	FY22 Proposed
\$ 257,961	\$325,850	\$333,996

General Information

FY18 marked a change in the way in which vocational technical high school services are provided to Lincoln students. As a result, budget estimates for vocational technical high school expenses going forward are less certain than they were in prior years. The Finance Committee’s proposal for FY22 is based on historic enrollments as well as estimated tuition rates and other associated costs.

Through FY17, Lincoln was a member of the Minuteman Regional Vocational Technical High School District (“Minuteman”), a four-year career and technical high school located in Lexington and Lincoln that consisted of 16 member towns. In February 2016, six member towns, including Lincoln, voted to leave the district effective July 1, 2017. In September 2016, the Town of Belmont voted to leave the district effective July 1, 2020. Also in September 2016, a majority of voters in the remaining district towns approved a \$145 million project to construct a new high school that is located in Lincoln. The State is expected to pay \$44 million of the project costs. Having voted to exit the district, Lincoln is not obligated to pay for the debt service associated with the new building project, however, the Town is assessed a “Capital Fee” per enrolled student (currently, \$6,100). The Town is also still responsible for its share of prior outstanding debt. Lincoln’s share of debt service on prior borrowings is \$9,808 in FY21. Both the Capital Fee and the prior outstanding debt amounts are included in the recommended budget appropriation.

Enrollment

Enrollment of Lincoln students in the vocational technical high school program at Minuteman in recent years ranged between 6 and 11. In FY20, there were 8 students enrolled. The table below shows historic Lincoln enrollments.

Lincoln Vocational Technical High School Enrollment, 2006 to 2020
(measured at 10/1)

School Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Lincoln	5	4	2	3	4	4	4	6	6	11	8	11	11	10	8

Tuition Rates

Beginning in FY18, Lincoln students were eligible to attend vocational technical high school programs at Minuteman or outside of the Minuteman district. At this time, there are no Lincoln resident students attending vocational technical high schools other than Minuteman. The Town has assumed that should students decide to go to another vocational technical high school in FY22, the cost should be offset by the savings in the budget for Minuteman. Along with expanded choices in vocational technical schools, the amount paid by the Town for its vocational technical students could vary by student. With Lincoln’s students considered non-resident students, tuition will be assessed at rates set by the State Commissioner of Education. Historically, the out-of-district

tuition rates were lower than those assessed on a per-pupil basis to Minuteman member towns. The table below shows the out-of-district rates applicable at Minuteman and several other nearby regional vocational technical high schools in recent years.

Name	Location	Out of District Tuition		
		FY20	FY21	FY22
Assabet Valley	Marlborough	\$16,787	\$16,335	\$17,070
Minuteman	Lincoln	\$17,965	\$18,400	\$18,679
Nashoba Valley	Westford	\$17,965	\$18,048	\$18,143
South Middlesex	Framingham	\$17,965	\$18,400	\$18,679

Additional Costs

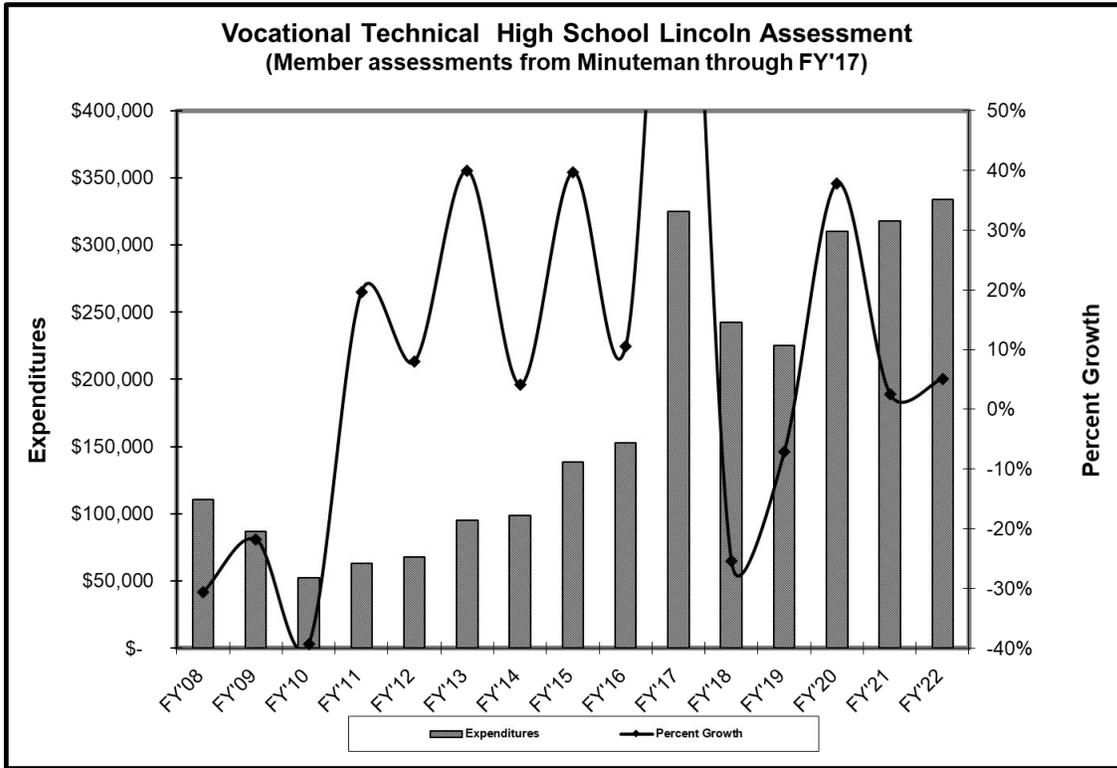
In addition to out-of-district tuition, some of the vocational technical high schools assess a fee for special education services. Minuteman charges an additional fee of \$6,200 per student for FY21. The Town is also expected to pay for transportation for students to vocational technical schools, the cost of which is currently shared with the Town of Sudbury.

The Finance Committee believes the proposed budget amount would be sufficient to fund Lincoln’s share of existing debt service for Minuteman as well as tuition, the Capital Fee, special education services, and transportation costs for high school students who choose to attend a vocational technical high school.

Key Issues

- Following Lincoln’s decision to exit the Minuteman District, Lincoln high school students who wish to enroll in vocational technical programs have more choice.
- Lincoln students at vocational technical high schools will pay out-of-district tuition rates, which are set by the State.
- The Town also expects to pay transportation costs for Lincoln students enrolled at area vocational technical schools.
- Certain vocational technical high schools in the State assess a per-student fee for special education services.
- Lincoln remains obligated for debt service on borrowings undertaken while the Town was a member of the Minuteman District.

- Beginning in 2020, non-member towns are assessed a Capital Fee for each student who attends Minuteman.



Public Works and Facilities

FY20 Actual	FY21 Budget	FY22 Proposed
\$1,855,476	\$2,011,383	\$2,108,810

General Information

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

Key Issues

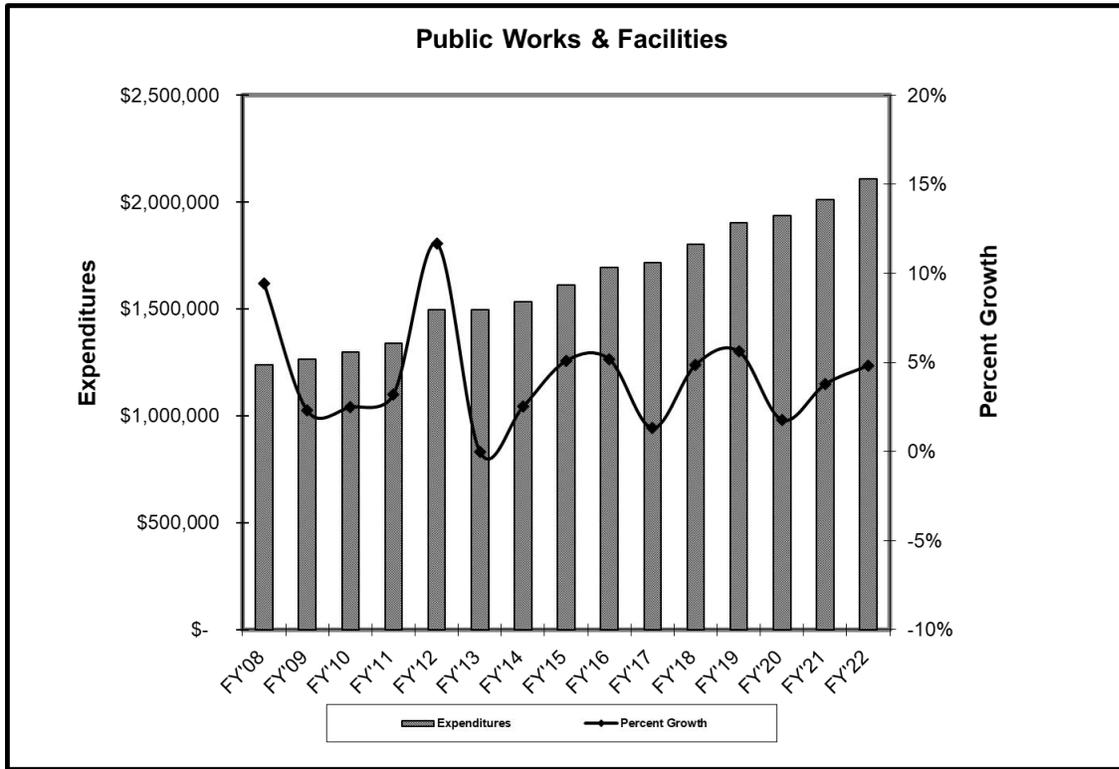
- The FY22 budget represents an increase of 4.8% vs the FY21 budget. The increase is driven largely by the need for more engineering and consulting services.
- All Town labor agreements expire at the end of FY21. Negotiations have begun for successor agreements, but results are subject to collective bargaining. Given the

uncertainty, budgets assume a 2% cost of living adjustment for FY22.

- Lincoln receives Chapter 90 funds from the state each year, typically about \$200,000 depending on the state budget. These funds are typically used to resurface secondary roads.

Warrant Articles

Article 17: State Roadway Funds (Chapter 90)- annual vote to accept state highway grant



Human Services

FY20 Actual	FY21 Budget	FY22 Proposed
\$293,529	\$292,253	\$317,589

General Information

Human Services covers a broad range of programs. It includes the Board of Health, the Council on Aging, Veterans’ Services, 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.

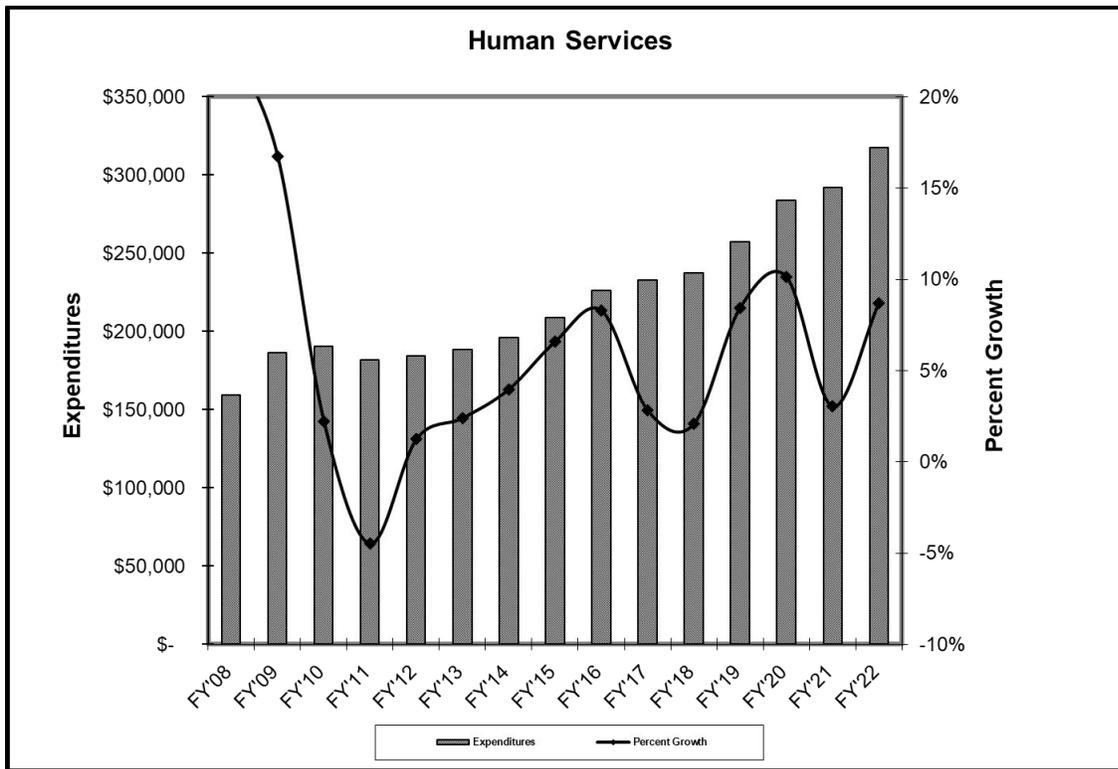
Key Issues

- The FY22 budget represents an increase of 8.7% vs the FY21 budget.

- Board of Health services are provided through an inter-town agreement with the Town of Concord. The contract includes an inflationary adjustment.
- The budget includes \$35,259 for veterans' benefits. The state reimburses 75% of town expenditures for veterans' services. The budget also includes \$5,000 as a stipend for the Veterans' Service Officer.
- All Town labor agreements expire at the end of FY21. Negotiations have begun for successor agreements, but results are subject to collective bargaining. Given the uncertainty, town budgets assume a 2% cost of living adjustment for FY22.
- The Town has enacted multiple programs to provide some measure of tax relief to residents who qualify, in the case of programs that have income and other limitations, or who are willing to work for the Town in various capacities, in the case of our Senior and Veteran Tax Work-off Programs. A description of the Town's tax relief programs is included as an Appendix to this report.

Warrant Articles

Article 4: Senior Tax Work-off Program	\$72,500
Article 5: Veterans Tax Work-off Program	\$5,000
Article 9 (CPA): Housing Rental Assistance Program	\$63,500
Article 9 (CPA): Housing Support Services	\$21,000



Recreation, Conservation, Celebrations and Pierce House

	FY20 Actual	FY21 Budget	FY22 Proposed
Recreation	\$481,399	\$538,084	\$551,525
Conservation	\$119,202	\$126,176	\$124,940
Celebrations	\$24,136	\$6,640	\$6,806
Pierce House	\$40,000	\$40,000	\$40,000

General Information

A six-member Parks and Recreation Committee, half elected and half appointed by the Board of Selectmen, oversees the Parks and 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.

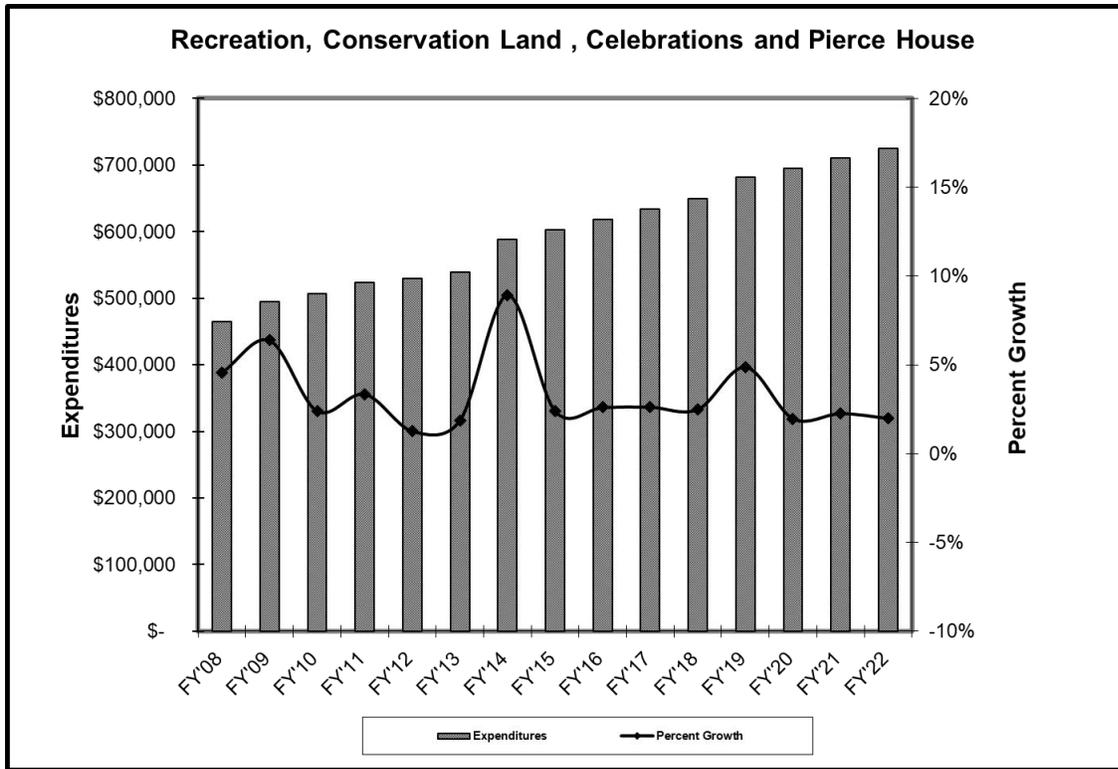
The Parks and Recreation Department also has responsibility for organizing town celebrations, including Memorial Day, all July Fourth festivities, and the Pierce Park Summer Concert Series. The conservation land budget includes expenses for the maintenance and recreational use of conservation land. Personnel costs for the Pierce House are also included in this category.

Key Issues

- The FY22 budget represents an increase of 2.2% while maintaining the current level of services, programs and staff.
- Celebrations expenses are significantly reduced for FY22 because, like last year, the July Fourth fireworks show is not planned for this year due to construction activities on the school campus.
- Pierce House depends on the revenues from events to fund the house and its upkeep. Due to COVID-19 closures, FY22 revenues for Pierce House have been impacted.
- All Town labor agreements expire at the end of FY21. Negotiations have begun for successor agreements, but results are subject to collective bargaining. Given the uncertainty, town budgets assume a 2% cost of living adjustment for FY22.

Warrant Articles

Article 9 (CPA): Wang Property Debt Service (prior year vote)	\$115,500
Article 9 (CPA): Drainage Study for Town Office Athletic Field	\$26,800
Article 9 (CPA): School Playgrounds	\$161,200



Library

FY20 Actual	FY21 Budget	FY22 Proposed
\$971,898	\$1,054,697	\$1,081,064

General Information

The Lincoln Public Library provides residents with services and resources that are at a level equal to those found in neighboring towns having higher populations. The library’s experienced staff provides a wide range of services for adults, teens, and children seven days a week from October to April, six days a week from May through July, five days a week in August, and six days a week in September. Free Internet access is available on Town-owned computers in the reference room, children’s department, basement, and throughout the library on a wireless connection.

Through the website (www.lincolnpl.org), residents have online access at all times to the resources of the Minuteman Library Network’s 42 member libraries (36 public and 6 college libraries), reference sources, downloadable titles (books, magazines, music, newspapers, and videos), consumer affairs, encyclopedias, language-learning, investment publications, genealogy databases, science, and more!

The library trustees and staff continue to manage and maintain the historic and architecturally significant library building and grounds that anchor the town center and include Lincoln’s War Memorial.

Key Issues

- This budget is a level service budget.
- The COVID-19 pandemic forced library staff to find new ways to provide programs and services online that we used to perform in-person and to create new programs and services. Book groups and storytimes moved to Zoom online meetings and there was a large increase in reference questions sent by email. A new curbside pickup service began in June when the library was closed to the public and continued after the library reopened, which made it possible for patrons to pick up their books without having to enter the library. There was increased demand for digital titles. More programs were given to teach patrons how to download titles onto their mobile devices.
- The new online programs and services created during the pandemic increases the library’s need for reliable, high-speed Internet connections, the Town’s IT Department maintaining up-to-date computers, and continued staff training and professional development.
- The library depends on donations raised by The Friends of the Library to pay for special programs for children and adults, publicity, printing, and professional development opportunities.
- Collaborative programming with other Town departments and organizations keeps the library at the forefront of providing services to the community.

Warrant Articles

Article 9 (CPA): Library Parapet Repairs Project – Construction Phase	\$355,000
Article 12: Library Building Maintenance	\$50,000

The Library’s Vision Statement

The Library will be recognized as one of the town’s premier intellectual and cultural centers, serving as a focus for life-long learning and literacy, local written and artistic expression, preservation of local history, access to information technology, and the sharing of knowledge and ideas.

Introduction

The Lincoln Public Library provides all the traditional services people expect from a library while extending services into the Internet. We have 2 full-time staff and 20 part-time staff for a total of 10.8 FTEs as well as 2 summer interns. 12 staff members hold Master’s degrees in Library Science; 1 staff member also holds a Master of Arts in Teaching degree; and 1 staff member also holds a Master of Business Administration degree.

In order to be certified by the Massachusetts Board of Library Commissioners (MBLC), the Library is required to serve anyone who is a resident of Massachusetts. Having MBLC certification makes it possible for the Library to borrow materials from other Massachusetts libraries for Lincoln residents. During FY20 the Library borrowed 17,908 items from other libraries for Lincoln residents and loaned 20,068 items to other libraries for their residents. Most of these inter-library loans were transacted within the Minuteman Library Network (MLN) although some borrower requests were filled from libraries around the U.S. and Canada.

Library Services

- Adult Services – While the Library resides in a small town, the educational level of the population demands sophisticated, innovative and cutting-edge materials and programs with a staff that matches those expectations. Our goal is to maintain the highest standards of library service for the entire community.
- Children’s Services – Lincoln residents demand high-quality educational programs from their children’s schools. For many children, the Library is their first introduction to a group learning environment. We are dedicated to providing comprehensive and innovative library services for children (from infancy through teenage years) and adults (including parents, educators, and other caregivers).
- The Library as a Commons – A library that provides a commons environment helps address the need of people to meet and interact with others in their community and to participate in public forums about community issues and broader issues of shared interest and concern. Our goal is to give library patrons ready access to meeting rooms and public spaces. Unfortunately, this service was not provided during the pandemic.

FY22 Budget

The 2.5% budget increase will allow the Library to maintain the current level of services. We greatly appreciate the support of Lincoln residents who make it possible for us to provide these services.

Accomplishments

- Total circulation decreased sharply in FY20 due to the pandemic. The library was closed from March 14 through August 30 and again from January 11 through March 7, 2021. 77% of the items that were checked out were physical items (e.g., books, DVDs, magazines, music CDs) and 23% were downloaded or streamed (e.g., eBooks, eMagazines, eAudios, and eVideos). The number of patron visits, reference questions, programs offered and attendance at those programs decreased. Digital circulation grew compared to tangible circulation.

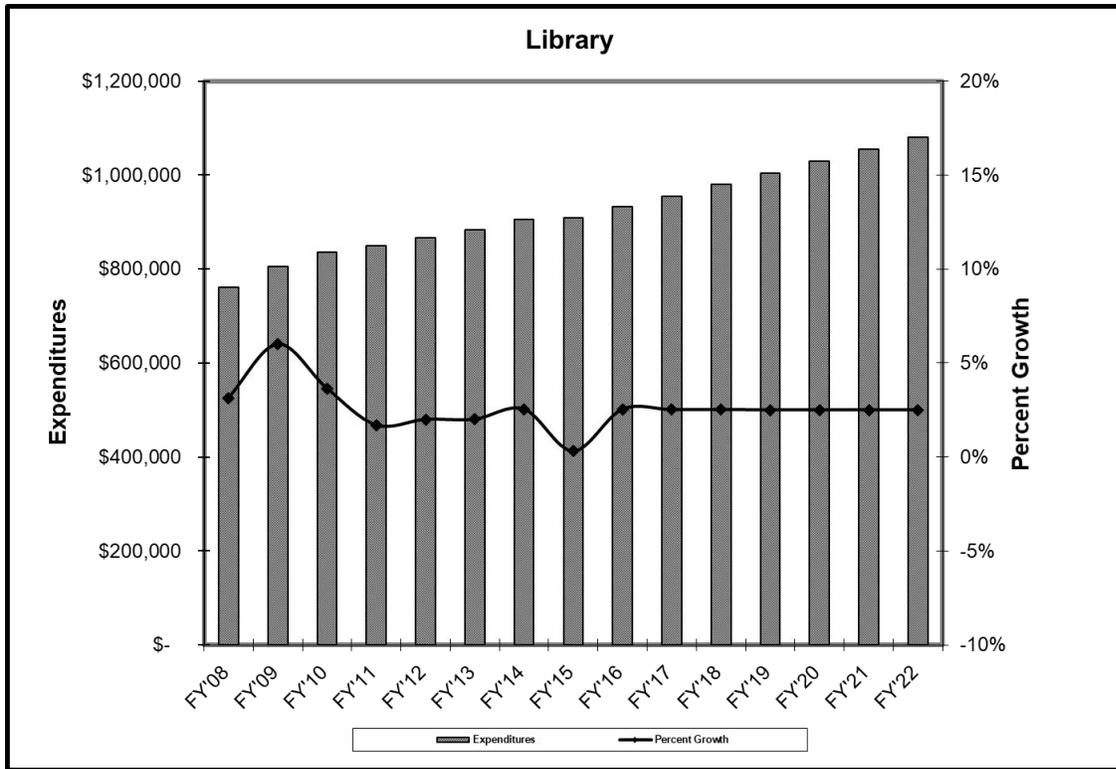
	FY2019	FY2020	% Increase
Physical Circulation	151,055	75,053	-50.31%
Digital Circulation	33,244	22,226	-33.14%
Total Circulation	184,299	97,279	-47.22%

Ratio of Physical to Digital Circ.	82% / 18%	77% / 23%	5% increase of digital circulation
Hanscom AFB Circulation	1,435	1,968	37.14%
Reference Questions	9,831	7,264	-26.11%
Programs	414	308	-25.60%
Program Attendance	9,198	4,964	-46.03%
Patron Visits	84,023	61,758	-26.50%
Website Visits	285,292	893,807	213.30%

- **New Programs Created During COVID-19 Pandemic** – Staff started a new contactless pickup service on June 8 to keep patrons safe from COVID-19. Patrons’ requests for specific titles or a selection of items chosen by staff were put outdoors for pickup then into the vestibule as winter approached. Contactless pickup is a very popular service and staff continued it after the library reopened on August 31. Staff pivoted to online programming quickly. Less than a week after the library closed due to COVID-19, staff broadcast book groups and storytimes on the Internet with Zoom. As presenters who provided in-person programs at the library modified their programs for the Internet, the library offered more of their programs online.
- **Collaborations with Lincoln Organizations** – Due to the pandemic, in-person events were curtailed. Children’s librarians reached out to the schools with information about supporting at-home learning, summer reading opportunities, virtual programming and other resources. Librarians created booklists of antiracist titles that were posted on the library’s website. A booklist of antiracist titles created by the Children’s librarians was posted on the school’s website. Librarians are participating in WIDE Lincoln’s Community Anti-Racist Advocate Training. We regularly have joint programs with the Council on Aging.

Challenges

- The COVID-19 pandemic presented enormous challenges for the library. Staff had to learn how to deliver programs and services to patrons. The library was already offering some online services, but we had to offer much more, right away. Some of the library’s programs, like book groups, translated well onto Zoom. Other programs, like Open Mic, went on hiatus.
- The original budget allocation for purchasing physical and digital titles was changed in order to purchase more digital titles and fewer physical titles to meet patron demand.
- Before the pandemic, some patrons would spend hours at the library. The library was a welcoming and comfortable place. When the library reopened by appointment on August 31, all the chairs (except at three public computers) were removed. The library is looking forward to reestablishing that welcoming environment!



Debt Service

FY20 Actual	FY21 Budget	FY22 Proposed
\$5,212,651	\$4,393,888	\$4,318,200

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 has traditionally been 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). Some debt, however, such as the debt for the Town Offices renovation and debt for the school building project, was issued with a hybrid financing structure, with initial years of level debt service (like a home mortgage), converting to level principal payments in later years. This structure has the effect of reducing the front loading effect of the debt, resulting in a smaller impact on property taxes, but does result in more total interest paid out over the life of the bond.

Most recently, the Lincoln School building project is being bonded over a 30 year term and entirely with level debt service due to its large size and the desire by the Finance Committee to best match the impact and term of the debt to the expected lifetime of the renovated buildings. The first tranche of that funding (\$80 million in bonds) was issued in February 2019, out of \$88.5 million of debt authorized for the project. The Town currently expects to raise the remaining \$8.5 million authorized in the first half of 2022.

The Town of Lincoln continues to maintain the most favorable long-term bond rating available, AAA, from S&P. This rating provides for the lowest borrowing costs available for future indebtedness. Town approval of debt exclusions (i.e. votes to exclude debt service from Proposition 2 ½ property tax limitations) is a positive credit rating factor.

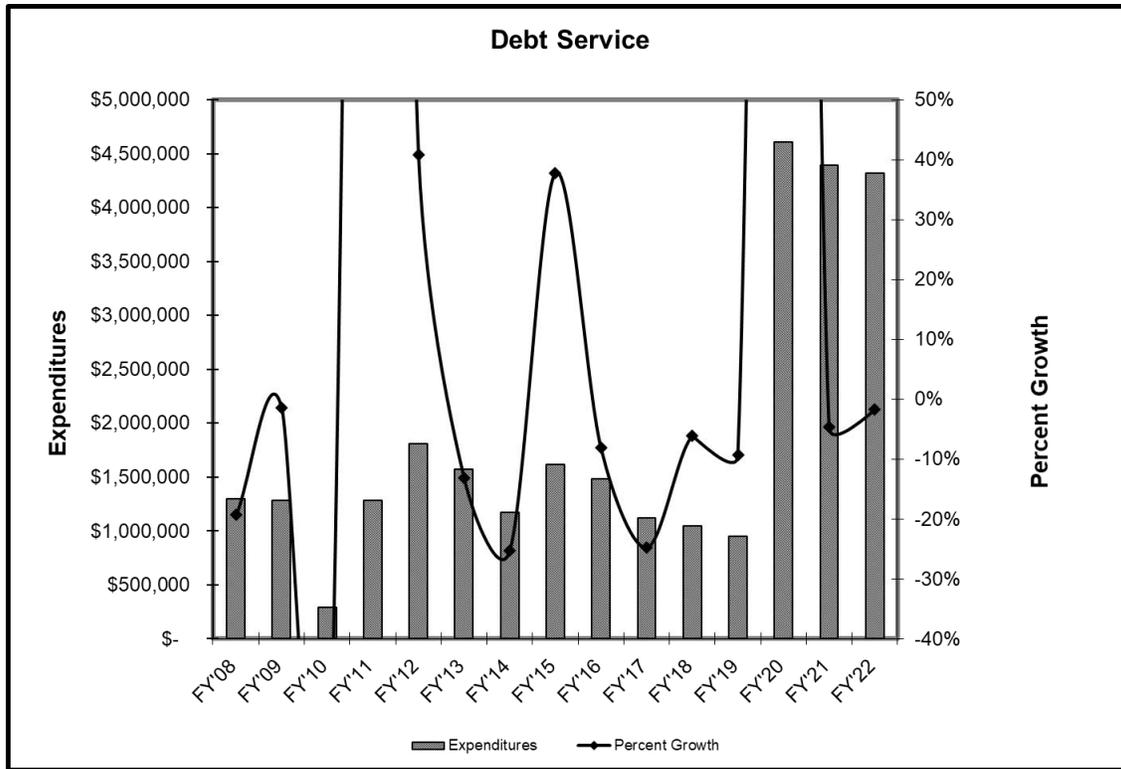
Note: debt service for LSRHS is part of the high school budget and not included in this section of the report.

Key Issues

- Projected debt service for FY22 is 1.72% less than FY21. The decrease is due to retiring debt from prior projects.
- The FY22 amount assumed excludes \$307,891 of debt service on the Town Offices project, that the Community Preservation Committee is recommending be funded with Community Preservation Act (CPA) funds. It also excludes \$115,500 of debt service for the Wang property, which was authorized for CPA funds by a prior year vote.
- Remaining debt service costs represent continued payments on previously-issued debt for a variety of projects.

Warrant Articles

Article 9 (CPA): Wang Property Debt Service (prior year vote)	\$115,500
Article 9 (CPA): Debt Service on Town Office Renovation	\$307,891
Article 14: Debt Stabilization Fund Appropriation	\$18,376



Pensions and Insurance

FY20 Actual	FY21 Budget	FY22 Proposed
\$6,417,872	\$7,698,005	\$7,908,472

General Information

This category covers health insurance, retirement insurance, unemployment insurance, FICA/Medicare, life insurance, and general insurance, e.g., property and casualty. Overall for FY22, this budget is 2.7% higher than FY21.

The largest component of this category of expense is health insurance, which represents about \$4.2 million, or 54%, of the FY21 Pensions and Insurance budget. The Town offers health insurance plans to its employees, including employees of the Lincoln Public Schools. Note: school employee health insurance expenses are carried in this line item, not in the K-8 School Budget.

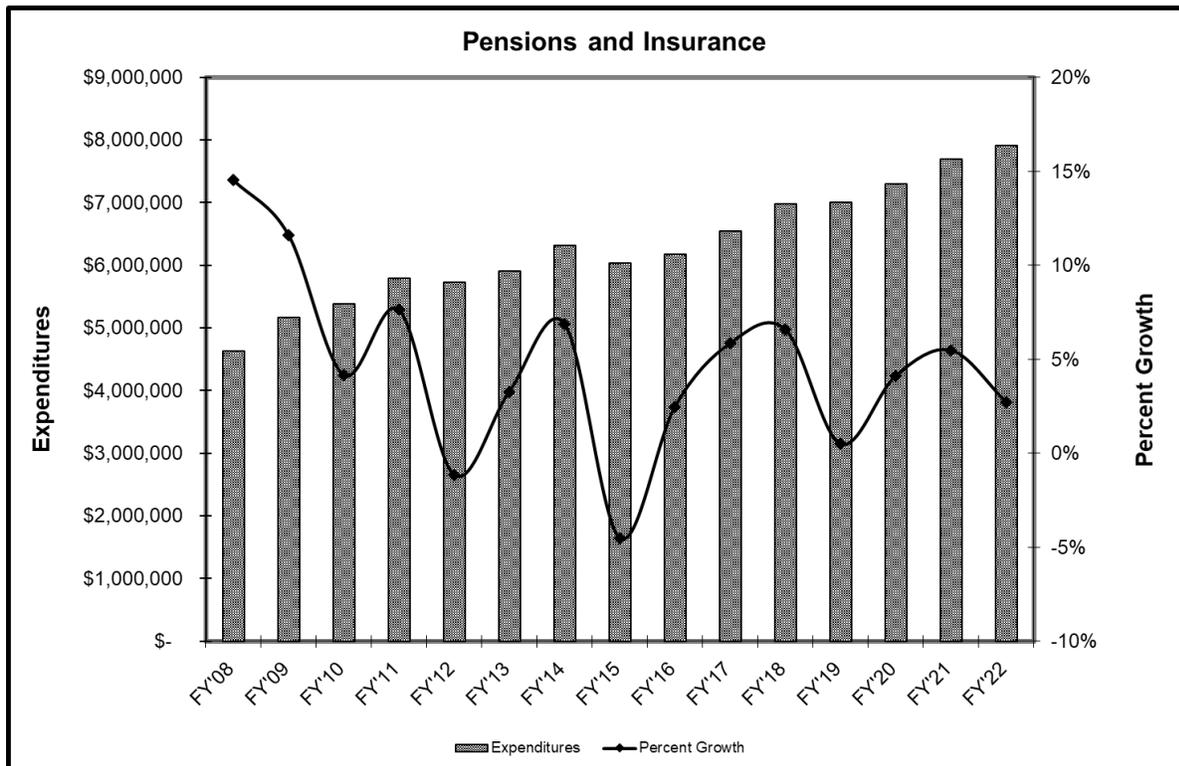
In recent years the Town, with the assistance of the employee unions, has saved approximately \$1.6 million in annual health care costs. The savings result from a number of actions including: adoption of Section 18, which requires qualified retirees to join Medicare (FY09); health insurance plan design changes (FY12); conversion of health insurance program to Massachusetts Interlocal Insurance Association (MIIA) from self-insurance (FY11); steps to reduce the cost of retiree

prescription drug benefits (FY17); plan design changes including an increase in ER co-pay (FY18). In addition, the Town has implemented plan design changes that shifted enrollment to lower premium plans. The Town pays 60% of premium costs.

The Town’s assessment for retirement contributions accounts for about \$2.5 million, or 33%, of the FY22 Pensions and Insurance budget. Lincoln 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 as employees earn a portion of their retirement with each year of service as well as with the requirement to fully fund the liability by the year 2035. For FY22, the cost is expected to increase by 6.3% compared to FY21.

General Insurance includes worker’s compensation, liability insurance, and the bonding of appropriate Town personnel. This cost of this insurance is expected to be \$489,500 in FY22, no change from FY21.

The Town also pays for unemployment, life insurance and employee related FICA/Medicare costs. State and federal law, personnel by-laws, and union contracts determine the Town’s contributions. In combination, these expenses are expected to total \$496,885 in FY22, a 2.5% increase from FY21.



Water Department

	FY20	FY21	FY22
Budget	\$1,333,204*	\$1,885,468 **	\$1,931,686 ***
Actual	\$1,743,522		
Taken from retained earnings	\$563,832	\$390,000	\$154,100 to-date

* FY20 budget included a \$40,000 emergency reserve fund that reverts to the water surplus fund if not used.

** FY21 budget includes a \$50,000 emergency reserve fund that reverts to the water surplus fund if not used.

*** FY22 budget also includes a \$50,000 emergency reserve fund that reverts to the water surplus fund if not used.

General Information

The Lincoln Water Department (LWD) maintains Lincoln’s water supply and distribution system, providing firefighting capability and assuring 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; its balance is currently \$749,480 a decrease of \$597,436 from its balance in January 2019 of \$1,346,916. Voters at Town Meeting will be asked to take another \$109,100 out of retained earnings to fund some capital projects, leaving the retained earnings level at \$640,380. The LWD’s policy is to keep its surplus fund at a minimum of \$500,000. The expectation is that the higher water rates approved in Spring 2020 will increase LWD revenue and enable the LWD to build back up its retained earnings.

Key Issues

- Staffing: LWD continues to deal with a very tight labor market for trained water operators/supervisors and superintendents. Superintendent Mary Beth Wisner retired on January 1, 2021. Dan Pereira filled in as the Interim Superintendent until March 29, 2021, when Darin LaFalam joined LWD as our next Superintendent. LWD also hired another Water Operator and replaced our Administrator, and the Department is finally near full staffing after being understaffed for several years and having to rely on higher cost temporary assistance.
- The LWD has experienced a near perfect financial storm in the last 24 months stemming from breakdown of aging equipment, in some cases have not been optimally maintained, personnel shortages mentioned above, expensive mandated state compliance for OSHA or Mass DEP, and high organics in Flint Pond water in the summer (resulting in elevated TTHM levels) that require a new coagulant treatment program for the Water Treatment Plant. LWD currently has 8 capital projects underway. The good news is that in October 2020, the Town bonded \$2.24 million of previously approved capital projects at a very favorable interest rate of only 0.915%,

enabling the town to pay off this debt over time with very little additional cost.

- *Longer-term financial strategic planning:* Financial analysis is still underway at the time of this writing, but based on a preliminary report from Tata & Howard, it is likely that LWD will stick with our current treatment plant and operations. Conversion to MWRA water neither looks feasible, since there is no precedent of Water Resources Authority granting access to MWRA water unless insufficient potable water can be locally produced, nor financially beneficial compared with the status quo. The option of building an all-new Water Treatment Plant also appears to no more financially beneficial over the long-term and would involve complicated issues of where the town could site a new 3 acre facility.
- *Water rates:* A 25% across-the-board rate increase was approved in January 2019. This was followed by a 28% increase in variable water rates in Spring 2020 and an increase in the fixed quarterly cost from \$35 per meter to \$50 per “household”. The median Lincoln water bill is about \$1,607/year now, higher than neighboring towns, and even on the high end of other small towns that have only a small population against which to amortize high fixed costs.

Warrant Articles

LWD has tried to defer any capital expenditures that were not essential over the next five years while they assessed whether it made more sense to try to join MWRA, build an all-new treatment plant, or operate the current Water Treatment Plant (WTP) (see above discussion). That said, despite this orientation, significant capital expenditures were deemed necessary in FY20 and FY21.

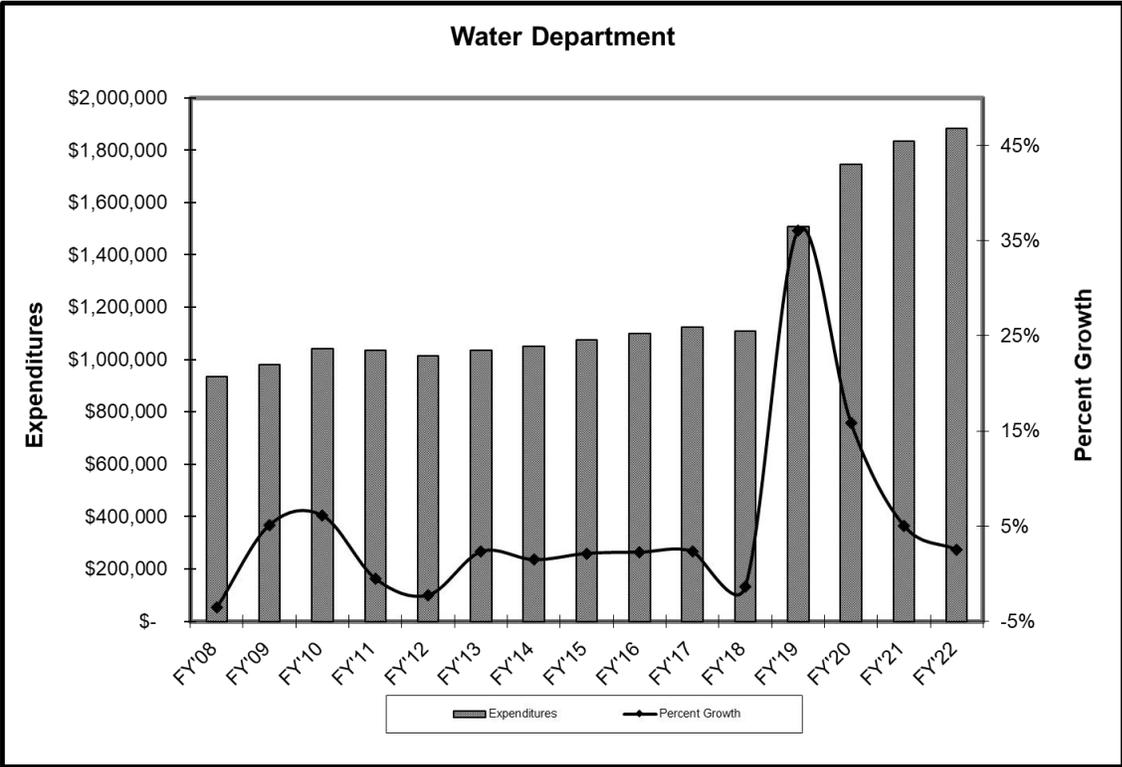
For FY22, LWD is proposing \$939,100 in capital requests, with \$830,000 to come from bonding and \$109,100 to come from water retained earnings.

Below is a preliminary itemization of each warrant amount; please consult the Town Meeting motion for final values.

Warrant Article 22 – Authorize \$939,100 for Water Capital Improvements

Category	Description	Amount	Funding Source
Regulatory compliance with high TTHM levels	Residuals Handling & Neutralization System Upgrades – WTP to comply with the EPA’s NPDES (National Pollutant Discharge Elimination System) discharge permit	\$350,000	Bonding
Aging infrastructure	Replace Tower Rd Well: Current well cannot pump at desired rates despite aggressive cleanings, due to clogged shutter-type screen.	\$480,000	Bonding
Aging infrastructure	Replace Compressor #2 at WTP (Water Treatment Plant): 2 compressors in service since 1995, replace unit with more hours on it.	\$25,000	Water Retained Earnings

Increase resiliency	Investigate cost and engineering needed to interconnect with Wayland. A backup water source is needed for our emergency response plan.	\$13,600	Water Retained Earnings
Increase resiliency	Evaluate the current condition of the Storage Tank and reconsider previously proposed solutions to what is currently our sole storage tank.	\$39,000	Water Retained Earnings
Required by WMA Permit	Conduct Water Audit to determine what happens to water LWD produces.	\$31,500	Water Retained earnings
Total Water Capital Projects		\$939,100	



Annual Town Report: FY22
Lincoln Water Department
Executive Summary

Established in 1874, the Lincoln Water Department (LWD) provides clean, safe drinking water and water to fight fires throughout the Town. The main components of the system are its two sources of supply (Flint's Pond and the Tower Road well); the micro-filtration plant on Sandy Pond Road to treat the Flint's Pond water; the storage tank on Bedford Hill; and the 57 miles of distribution piping and fire hydrants. In addition to the micro-filtration treatment, which filters out potential viruses from the Flint's Pond water, both supplies are treated to reduce the corrosiveness of the water and are fluoridated for dental hygiene purposes, and the Flint's Pond water is chlorinated against the possibility of bacterial contamination.

Governed by three elected Water Commissioners, LWD is funded entirely by user fees and operates as an Enterprise Fund, meaning that revenues are expected to meet or exceed expenditures on a year-to-year basis, with the difference (Retained Earnings) held in reserve to fund emergency repairs and system improvements. The budget and revenue structure must be approved by the Town, and system improvements are approved at the annual Town Meeting. Darin LaFalam was hired on March 29, 2021 as the next Water Superintendent to replace MaryBeth Wisner, the town's superintendent from FY19 through January 1, 2021. Dan Pereira acted as Interim Superintendent during the gap between Superintendents.

As you can see from the above chart, in general the Water Dept has generally kept a tight lid on expenses and expenditure growth, but a combination of increased state regulation, needing to dramatically increase salaries to recruit trained staff in a very tight market for qualified personnel, a growth in organics during the summer month in Flint Pond, and not keeping up with capital expenditures required large increases in FY19 and FY20 to get back on track. For FY21 LWD had 5% expenditure growth and for FY22, LWD is making do with a 2.5% increase, consistent with Finance Committee guidance to town agencies, even though an Enterprise Fund LWD is not required to do so. The Commissioners are also keen to follow the Town's best practices, and in early 2021, for the first time, they presented LWD's budget to the Finance Committee and its proposed capital requests to CapCom, not for approval, but for any recommended suggestions from those bodies.

Retained Earnings, which peaked in FY19 at \$1,536,091, have now declined to \$749,480 (based on votes to take retained earnings to cover budget shortfalls and use of retained earnings for capital expenses). The current level is 50% above the minimum \$500,000 that the Water Commissioners have set as a minimum for retained earnings. But LWD recommends using \$109,100 from retained earnings to cover several capital projects at Town Meeting. If approved, retained earnings would fall to \$640,380 (28% above the \$500,000 minimum LWD plans to preserve). After 2 years, the LWD will have an additional \$187,000 per year of reduced operating expenditures from retiring an existing bond.

In January of 2020, the Water Commissioners approved a 28% increase in water rates for each 1,000 gallons used to: \$6.52 per quarter (for gallons 0-20,000 "Tier 1"); \$13.75 per quarter (for gallons 20,001-40,000 "Tier 2"); \$32.13 (for gallons 40,001 and higher "Tier 3"). The quarterly

base charge per water meter also increased from \$140 to \$200 per year (assessed per dwelling now rather than per water meter). With the 2020 water rate increases, Lincoln is significantly higher than neighboring towns, largely because there are a lot of fixed costs that must be amortized against a relatively small number of users.

The rapid cost escalation from FY19 to the FY21 budget, were due to: an increase in LWD personnel costs to recruit staff and cover temporary staff contracting services; increased debt service to finance new capital projects; and an increase in outside services/engineering services. The outside services/engineering services are driven by, among other items: development and testing of a pilot coagulation system to reduce elevated TTHM levels; contract engineering help on preparing estimates, design documents, and bids for new capital items; and gathering data for a lifetime cost comparison of joining MWRA versus maintaining the existing plant. Many of the town's capital projects have been mandated by aging infrastructure that had not been fully kept up and by a triannual Water Sanitary survey that led to various deficiencies required fixes by DEP, and an increase in state regulation.

In the last three years, the LWD undertook a large number of projects to upgrade most of the urgent issues: upgrading water treatment and chemical handling systems; a new coagulation pretreatment of the Flint Pond water (to reduce TTHM levels); and building a new Tower Road Well (if approved at Town Meeting). All of these should be completed by the spring of 2022.

Total annual residential water withdrawal in Lincoln in 2019, was 186,100,000 gallons, 2% above the maximum permitted withdrawal level. "Unaccounted for" water has come down dramatically from estimates of 20-25% some years ago to 4.4% last year and is finally below the 10% D.E.P target. Part of the capital requests at Town Meeting include a new Water Audit to measure current "unaccounted for" water.

After the Department addresses some of the major capital financial decisions on how to source town water, it will also have to deal with aging water mains, many of which are 100+ years old and beyond their expected life, as is true in many towns in Massachusetts. A consultant's report concluded a few years ago that replacement of these mains and other portions of the distribution system will probably be necessary in the next 20-50 years. The Department is exploring approaches to detect which mains are at high risk of failure and replace these in a prioritized order since water main replacement is very expensive, typically costing \$1,000,000 per mile. LWD will also explore whether to replace some of these pipes in conjunction with planned road repaving since it would substantially lower the cost of pipe replacement if the road does not have to be dug up and repaved.

11. Appendix

TABLE 1				
FISCAL DETAIL				
FY 2020-2022				
		ACTUAL	CURRENT YEAR	PROPOSED
		EXPENDITURES	BUDGET	BUDGET
		FY20	FY21	FY22
GENERAL GOVERNMENT				
1114	MODERATOR	-		
	Personnel Services	-	500	500
	Expense		1,500	1,500
	TOTAL 1114	-	2,000	2,000
1122	SELECTMEN			
	Personnel Services	400	400	400
	Expense	4,785	3,000	3,000
	TOTAL 1122	5,185	3,400	3,400
1124	DIVERSTIY & ANTI-RACISM			
	Personnel Services	-	-	-
	Expense	-	-	10,000
	TOTAL 1122			10,000
1290	TOWN OFFICES			
	Personnel Services	1,034,970	1,081,622	1,101,554
	Expense	501,012	533,790	547,403
	TOTAL 1290	1,535,982	1,615,412	1,648,957
11312	FINANCE COMMITTEE			
	Expense	180	595	609
	TOTAL 11312	180	595	609
11322	RESERVE FUND			
	Reserve Fund Appropriation	154,500	753,111	742,000
	TOTAL 11322	154,500	753,111	742,000
1137	ASSESSORS			
	Personnel Services	68,585	69,999	71,377
	Expense	85,586	94,300	97,000
	TOTAL 1370	154,171	164,299	168,377
11512	LAW DEPARTMENT			
	Expense	97,477	104,500	96,200
	TOTAL 11512	97,477	104,500	96,200
1590	TOWN ARCHIVES			
	Personnel Services	21,582	23,602	24,250
	Expense	138	1,325	1,300
	TOTAL 1590	21,721	24,927	25,550
1161	TOWN CLERK			
	Personnel Services	173,385	196,212	224,585
	Expense	4,943	10,110	11,595
	TOTAL 1161	178,329	206,322	236,180
1162	REGISTRAR OF VOTERS			
	Personnel Services	6,883	2,200	7,244
	Expense	11,484	15,430	15,820
	TOTAL 1162	18,367	17,630	23,064

1171	CONSERVATION COMMISSION			
	Personnel Services	145,365	153,407	165,316
	Expense	2,086	3,350	3,350
	TOTAL 1171	147,452	156,757	168,666
1172	GREEN ENERGY COMM			
	Personnel Services	-	-	-
	Expense	-	5,000	2,500
	TOTAL 1171	-	5,000	2,500
1175	PLANNING BOARD			
	Personnel Services	205,768	217,353	203,742
	Expense	5,088	8,378	8,700
	TOTAL 1175	210,855	225,731	212,442
1176	BOARD OF APPEALS			
	Personnel Services	27,546	28,835	30,307
	Expense	1,776	3,159	3,159
	TOTAL 1176	29,322	31,994	33,466
1792	AGRICULTURAL COMMISSION			
	Personnel Services		1,189	1,213
	Expense	5,750	4,755	4,880
	TOTAL 1792	5,750	5,944	6,093
1195	TOWN REPORT			
	Expense	35,378	20,150	30,000
	TOTAL 1195	35,378	20,150	30,000
1191	TOWN BUILDINGS			
	Personnel Services	71,159	72,662	-
	Expense	81,350	82,890	164,946
	TOTAL 1991	152,509	155,552	164,946
	TOTALS FOR GENERAL GOVERNMENT	2,747,176	3,493,324	3,574,450
	PUBLIC SAFETY			
1211	POLICE DEPARTMENT			
	Personnel Services	1,563,111	1,665,478	1,707,012
	Expense	115,625	118,057	121,112
	TOTAL 1211	1,678,737	1,783,535	1,828,124
1221	FIRE DEPARTMENT			
	Personnel Services	1,560,988	1,581,074	1,615,564
	Expense	56,977	61,306	67,799
	TOTAL 1221	1,617,965	1,642,380	1,683,363
1231	EMERGENCY MEDICAL SERVICES			
	Personnel Services	49,054	81,495	83,500
	Expense	26,235	29,230	29,990
	TOTAL 1231	75,289	110,725	113,490
1249	BUILDING DEPARTMENT			
	Personnel Services	221,438	219,584	226,426
	Expense	10,080	16,532	10,236
	TOTAL 1249	231,518	236,116	236,662
1251	COMMUNICATIONS CENTER			
	Personnel Services	323,244	351,729	360,124
	Expense	37,635	40,057	41,456
	TOTAL 1251	360,878	391,786	401,580

1291	EMERGENCY MANAGEMENT			
	Personnel Services	3,000	5,000	5,000
	Expense	10,439	11,600	12,020
	TOTAL 1291	13,439	16,600	17,020
1292	DOG OFFICER			
	Expense	8,402	11,100	12,000
	TOTAL 1292	8,402	11,100	12,000
1299	PUBLIC SAFETY BUILDING			
	Personnel Services	-	-	-
	Expense	101,730	104,525	107,138
	TOTAL 1299	101,730	104,525	107,138
TOTALS FOR PUBLIC SAFETY		4,087,959	4,296,767	4,399,377
EDUCATION				
1310	LOCAL SCHOOL SYSTEM			
	Personnel Services & Expense	11,606,768	12,046,087	12,347,239
	TOTAL 1310	11,606,768	12,046,087	12,347,239
1331	LINCOLN-SUDBURY REG HS			
	Regional School District Assessment	3,846,292	3,792,961	3,906,750
	TOTAL 1331	3,846,292	3,792,961	3,906,750
1333	VOCATIONAL SCHOOL ASSESSMENT(S)			
	Regional School District Assessment	257,961	325,850	333,996
	TOTAL 1332	257,961	325,850	333,996
TOTALS FOR EDUCATION		15,711,021	16,164,898	16,587,985
PUBLIC WORKS & FACILITIES				
1411	ENGINEERING & CONSULTING			
	Expense	135,991	146,091	197,000
	TOTAL 1411	135,991	146,091	197,000
1422	DPW OPERATION & MAINTENANCE			
	Personnel Services	733,308	770,400	792,224
	Expense	331,983	359,191	367,381
	TOTAL 1422	1,065,291	1,129,591	1,159,605
1423	DPW SNOW & ICE CONTROL			
	Personnel Services	72,866	83,610	85,750
	Expense	212,168	223,450	229,000
	TOTAL 1423	285,034	307,060	314,750
1424	STREET LIGHTING			
	Expense	11,652	18,500	17,500
	TOTAL 1424	11,652	18,500	17,500
1427	TREE WARDEN			
	Expense	10,083	7,900	8,100
	TOTAL 1427	10,083	7,900	8,100
1429	DPW BUILDING			
	Expense	26,720	36,000	34,150
	TOTAL 1429	26,720	36,000	34,150

1434	TRANSFER STATION			
	Personnel Services	54,452	48,600	51,900
	Expense	179,981	224,200	230,100
	TOTAL 1434	234,432	272,800	282,000
1435	FACILITIES DEPARTMENT			
	Personnel Services	59,493	61,905	61,581
	Expense	1,551		1,800
	TOTAL 1435	61,044	61,905	63,381
1491	CEMETERY DEPARTMENT			
	Personnel Services	6,352	15,336	15,534
	Expense	18,878	16,200	16,790
	TOTAL 1491	25,230	31,536	32,324
TOTALS FOR PUBLIC WORKS & FACILITIES		1,855,476	2,011,383	2,108,810
HUMAN SERVICES				
1511	BOARD OF HEALTH			
	Expense	31,849	44,900	45,377
	TOTAL 1511	31,849	44,900	45,377
1522	MINUTEMAN HOME CARE			
	Expense	1,481	1,518	1,556
	TOTAL 1522	1,481	1,518	1,556
1541	COUNCIL ON AGING			
	Personnel Services	209,914	190,060	214,150
	Expense	13,147	16,377	16,147
	TOTAL 1541	223,061	206,437	230,297
1543	VETERANS' SERVICES			
	Personnel Services	4,800	5,000	5,100
	Expense	32,339	34,398	35,259
	TOTAL 1543	37,139	39,398	40,359
TOTALS FOR HUMAN SERVICES		293,529	292,253	317,589
CULTURE & RECREATION				
1611	LIBRARY			
	Personnel Services	738,375	798,852	804,412
	Expense	180,215	194,745	215,453
	TOTAL 1611	918,590	993,597	1,019,865
1612	LIBRARY BUILDING			
	Expense	53,308	61,100	61,200
	TOTAL 1612	53,308	61,100	61,200
1631	RECREATION DEPARTMENT			
	Personnel Services	347,340	387,334	397,805
	Expense	134,059	150,750	153,720
	TOTAL 1631	481,399	538,084	551,525
1651	CONSERVATION LAND			
	Personnel Services	105,670	115,414	114,185
	Expense	13,533	10,762	10,755
	TOTAL 1651	119,202	126,176	124,940
1661	CELEBRATIONS COMMITTEE			
	Expense	24,136	6,640	6,806
	TOTAL 1661	24,136	6,640	6,806

16931	PIERCE HOUSE			
	Personnel Services	40,000	40,000	40,000
	TOTAL 16931	40,000	40,000	40,000
TOTALS FOR CULTURE & RECREATION		1,636,636	1,765,597	1,804,336
DEBT SERVICE				
1791	INTEREST SHORT-TERM DEBT/ISSUANCE COSTS			
	Expenses	-	25,000	25,000
	TOTAL 1791	-	25,000	25,000
17750	MACDOWELL LAND ACQUISITION			
	Principal Long-Term Debt	75,000	75,000	-
	Interest Long-Term Debt	4,875	2,438	-
	TOTAL 17750	79,875	77,438	-
17753	TOWN OFFICES RENOVATION			
	Principal Long-Term Debt	-	-	-
	Interest on Short Term Debt	-	-	-
	TOTAL 17753	-	-	-
17755	2019 SCHOOL BUILDING PROJECT			
	Principal Long-Term Debt	1,350,000	1,365,000	1,435,000
	Interest on Long Term Debt	2,944,051	2,926,450	2,858,200
	TOTAL 17755	4,294,051	4,291,450	4,293,200
TOTALS FOR DEBT SERVICE		5,212,651	4,393,888	4,318,200
UNCLASSIFIED				
INSURANCE				
1911	RETIREMENT ASSESSMENT			
	Expense	2,135,667	2,434,008	2,587,296
	TOTAL 1911	2,135,667	2,434,008	2,587,296
1913	UNEMPLOYMENT INSURANCE			
	Personnel Services	8,640	37,195	38,125
	TOTAL 1913	8,640	37,195	38,125
1914	HEALTH INSURANCE			
	Personnel Services	3,476,244	4,211,882	4,255,981
	Expense	1,500	29,968	30,000
	TOTAL 1914	3,477,744	4,241,850	4,285,981
1915	LIFE INSURANCE			
	Personnel Services	7,015	10,686	10,686
	TOTAL 1915	7,015	10,686	10,686
1916	FICA/MEDICARE			
	Personnel Services	391,761	484,766	496,885
	TOTAL 1916	391,761	484,766	496,885

1942	GENERAL INSURANCE			
	Expense	397,045	489,500	489,500
	TOTAL 1942	397,045	489,500	489,500
TOTALS FOR UNCLASSIFIED		6,417,872	7,698,005	7,908,473
TOTALS FOR GENERAL FUND		37,962,320	40,116,115	41,019,220
WATER ENTERPRISE FUND				
61451	WATER DEPARTMENT			
	Personnel Services	480,187	574,668	629,686
	Expense	1,049,477	993,800	772,000
	SUB-TOTAL	1,529,663	1,568,468	1,401,686
	Capital Outlay	177,557	267,000	480,000
	TOTAL 61451	1,707,220	1,835,468	1,881,686
614513	WATER DEPARTMENT			
	Emergency Reserve	40,000	50,000	50,000
	TOTAL 614513	40,000	50,000	50,000
TOTALS FOR WATER ENTERPRISE FUND		1,747,220	1,885,468	1,931,686
APPROPRIATION SUMMARY -				
GENERAL GOVERNMENT		2,747,176	3,493,324	3,574,450
PUBLIC SAFETY		4,087,959	4,296,767	4,399,377
EDUCATION		15,711,021	16,164,898	16,587,985
PUBLIC WORKS & FACILITIES		1,855,476	2,011,383	2,108,810
HUMAN SERVICES		293,529	292,253	317,589
CULTURE & RECREATION		1,636,636	1,765,597	1,804,336
DEBT SERVICE		5,212,651	4,393,888	4,318,200
UNCLASSIFIED		6,417,872	7,698,005	7,908,473
WATER DEPARTMENT		1,747,220	1,885,468	1,931,686
TOTAL - ARTICLE 6		39,709,541	42,001,583	42,950,906

An Outline of Town Meeting Procedures

Set forth below is a brief description of Town Meeting procedures which govern the presentation, consideration and voting on matters which come before Town Meeting. It is hoped this summary will answer some questions which citizens have regarding Town Meeting and may serve to make the Meeting run more smoothly and efficiently. While it may not answer all questions people have, it does outline what appears to the Moderator to be the more important facts and basic procedures relating to Town Meeting.

Warrant - The Warrant is the Agenda for the actions to come before Town Meeting. It constitutes official notice to the Town of the matters to be considered in general terms, and indicates the sponsoring Town Department or Agency who will present the Motion and lead the discussion under the Warrant Article. It is worth noting that Articles in the Warrant are not self-executing; there needs to be a Motion presented to the Meeting with respect to action to be taken under each Article. Typically the Article will be “to see if the Town will . . . [take some action]” and the Motion will be “Moved: That the Town . . . [take the action]”. The Motion can be virtually identical with the Article or it can be somewhat more precise and specific as long as it is within the “scope” of the Article. As the Article serves the purpose of giving notice to the Town as to what is to be considered no Motion, nor any Amendment to a Motion, can go beyond or cover matters outside of what could reasonably be considered to have been included in the Article. For example, if the Article is to see if the Town will vote to purchase a police cruiser for \$50,000, it would not be within the scope of the Article for the Motion to be to purchase a police cruiser and a fire engine for \$150,000. It would, however, be within the scope of the article if the motion was to purchase a police cruiser for \$30,000. It is up to the Moderator to determine if a motion or an amendment to a motion meets the “scope” requirement.

The Articles in the Warrant will be taken up at the Meeting in the order in which they are printed in the Warrant unless the meeting votes to take an Article out of order. One exception to this rule relates to those Articles which are on the Consent Calendar, as to which see the discussion below. If there are two or more Articles which deal with the same or similar matters or issues, it may be desirable and appropriate for the sponsor of the Articles to make some general comments about all the related Articles before presenting the individual Motions under each one.

Motions - As indicated above there needs to be a Motion presented to the Town to be voted on under each Article. If it happens, as it does from time to time, that prior to Town Meeting but after the Warrant has been printed and posted the sponsor of the Article decides not to go forward with it, there must still be a Motion to dispose of the Article, the usual one being a motion to “pass over” the Article. As you come into the auditorium for the Meeting, one of the documents set out on the table to pick up will be a printed sheet of the proposed Motions to be made under each of the Articles. There may be some Articles (usually referring to by-law amendments) which state that the amendment is on file at the Town Clerk’s office. These amendments will also be included in the Motion Sheet. When the Article is called for presentation the sponsor may read the Motion as printed if it is short or may make the Motion “as printed on the Motion Sheet” if it is longer. If there are any changes or refinements to the printed Motion, these will, of course, be noted. An explanation of the proposed Action will then be made by the sponsor, some of which will be very brief and some may require more detailed explanation. The general guideline is to limit the explanation to no more than ten (10) minutes and this is usually but not always followed (most

notably with the presentation of the budget). There may be other Town Boards that wish to speak with respect to action proposed under an Article after which there is opportunity for general discussion and debate from the floor of the meeting. Anyone wishing to make a comment or raise a question need only raise his or her hand and when called upon by the Moderator, may stand and wait for the delivery of a portable microphone by one of the pages. When called upon to speak please give your name and your street address and then raise your question or make your comment. Once again, there is no hard and fast rule as to time but for speakers from the audience floor a two to three minute period should be sufficient. Amendments to a Motion can always be made, assuming they fall within the scope of the Article, as discussed above. If someone knows in advance of an Amendment they wish to make, it would be helpful to provide the text of that Amendment in writing to the Moderator. However it is not necessary to have a carefully worked out Amendment in advance. The Moderator and Town Counsel are willing and able to help with the wording of any proposed Amendments. Citizen engagement is vital in making Town Meeting an effective form of government. Please do not hesitate to ask questions or to express opinions or concerns.

Voting - Most motions which are made at Town Meeting are adopted by majority vote, although there are a few which by reason of a statute or Town By-Law require two-thirds vote – e.g. motions to borrow or to amend the Zoning By-Laws. If there are amendments which have been made to motions, the meeting first votes on the Amendment and then on the main motion as amended, if the amendment passes, or on the main motion without the amendment, if it fails. Voting is done first by voice vote and if the Moderator is uncertain whether the motion passes (sometimes those in the minority have louder voices!) the Moderator will call for a standing vote and if it is still unclear there will be a count by tellers appointed by the Moderator. It should be noted that the Moderator’s determination of the result of the vote is final, unless seven voters stand and challenge the determination, in which event a count will be made. In accordance with a Town By-Law adopted a few years ago the same procedure is followed when a two-thirds vote is required; once again seven voters can challenge the Moderator’s determination, in which case a count will be taken by the tellers.

Procedures for Voting on the Budget - The Budget as printed in this booklet is presented by the Finance Committee and after discussion and before any votes the Moderator will allow the major budgeting agencies – town and schools – to make further comments on their proposed expenditures. Following this, the Moderator will go down the Budget line by line and ask if anyone wishes to hold out any line item for further discussion or amendment. To hold a budget item out, simply raise your hand to be recognized then identify the budget line item number of concern. Once this process is completed, the Budget excluding the items held out will be voted on, presumably without further discussion, and we will then go back and take up each line item which has been held out for discussion and separate vote. The Moderator will typically return to the person holding out each item to begin the discussion.

Override Budget - In years when an Override Budget is presented by the Finance Committee, that Budget is also printed in the booklet and will be presented first and voted on in the manner outlined above. However, an affirmative vote on an Override Budget at Town Meeting is subject to a further affirmative vote on a specific override amount at the Town Election on the Monday following Saturday’s Town Meeting. Therefore in order not to have to return and vote on the Non-Override Budget (also printed in the booklet) in the event the override on the ballot fails at the

Monday election, the Meeting then will go through and vote on a second, Non-Override Budget under the same procedures outlined above. That vote will only become operative if the override question on the ballot is defeated. (Note that this year there is no override budget being presented by the Finance Committee.)

Consent Calendar - Pursuant to the Town's By-Laws the Moderator can designate certain Articles which are considered to be routine, non-controversial and/or of a minor nature and which are not expected to generate any discussion or opposition to be placed on the Consent Calendar. The Articles so designated, and the motions to be made under each Article, are listed on the Consent Calendar which is included in the mailing with the budget and the warrant. When the Meeting reaches the first of these Articles the entire Consent Calendar (even though the Articles may not be consecutive) will be considered. The Moderator will first go down the list of Articles on the Consent Calendar to determine if anyone wants to remove an Article from the Consent Calendar. Any individual voter can do so by indicating the Article to be removed, in which event it will be taken up in the normal manner in its regular sequence on the Warrant. The motions under the Articles remaining on the Consent Calendar will be adopted in a single vote, presumably unanimous, which will incorporate the votes under each of the Articles as printed on the Consent Calendar. This procedure speeds up and expedites the conduct of the business of the Meeting by not requiring individual presentation and discussion of those Articles which are deemed to qualify for Consent Calendar treatment.

TOWN OF LINCOLN, MASSACHUSETTS

ANNUAL TOWN MEETING: Saturday, May 15, 2021: 9:30 a.m.

2021 WARRANT



TOWN OF LINCOLN

COMMONWEALTH OF MASSACHUSETTS

MIDDLESEX, ss

To either of the Constables of the Town of Lincoln in said County:

GREETINGS:

In the name of the Commonwealth you are hereby required to notify the legal voters of said Town of Lincoln qualified to vote at Town Meeting for the transaction of Town Affairs to meet **for the annual town meeting at the Hartwell Complex of the Ballfield Board School Campus in said Lincoln on Saturday, the fifteenth day of May, 2021 at 9:30 a.m., then and there to act on the following articles**, by posting a copy of this Warrant, by you attested, in said Town, seven days at least before the 15th day of May next.

Public Health Note: In recognition of the ongoing public health crisis, protective measures are being implemented to enable town meeting to proceed in the safest possible manner. Said measures include: moving to an outdoor venue including a large tent that will permit maximum social distancing, making full use of the so-called "consent calendar" to expedite the voting process, and virtual presentations in advance of town meeting to minimize discussion time during town meeting. Our mitigation plans were developed in consultation with the Lincoln Board of Health and our public health nurse.

Rain Dates: In the event of significant rain, town meeting may be continued to a later time on Saturday, May 15th, or to Sunday, May 16th at the same Hartwell parking lot.

Accommodations: Any person requiring this warrant in a larger print format, or in need of other meeting accommodations is urged to contact the Selectmen's Office at 781-259-2601 prior to Wednesday, May 7, 2021. Every reasonable attempt will be made to provide the necessary assistance.

ARTICLE 1

To bring in their votes for any Committees, Commissioners, Trustees, and other officers required by law to be elected by ballot or otherwise.

Board of Selectmen

ARTICLE 2

To receive and act upon the reports of the Town Officers, Committees, Commissioners and Trustees.

Board of Selectmen

ARTICLE 3

To see if the Town will vote to fix the salaries and compensation of the several elective officers of the Town and to determine whether any Department, Board or Committee shall be authorized to employ for additional compensation any of its members and to fix additional compensation of such members; or take any other action relative thereto.

Board of Selectmen

ARTICLE 4

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, or otherwise, to fund the Town's Senior Tax Work-off Program, as established pursuant to Massachusetts General Laws, Chapter 59, Section 5K, as it may be amended from time to time; or take any other action relative thereto.

Board of Selectmen

ARTICLE 5

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, or otherwise, to fund the Town's Veteran Tax Work-off Program, as established pursuant to Massachusetts General Laws, Chapter 59, Section 5N, as it may be amended from time to time; or take any other action relative thereto.

Board of Selectmen

ARTICLE 6

To see if the Town will vote to raise and appropriate a sum of money for the necessary and expedient purposes of the Town; or take any other action relative thereto.

Finance Committee

ARTICLE 7

To receive and act upon a report of the Capital Planning Committee, and to see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, including stabilization funds, by borrowing or any combination thereof, to purchase various capital items, or to fund capital projects as recommended by the Capital Planning Committee, including all costs incidental and related thereto; or take any other action relative thereto.

Capital Planning Committee

ARTICLE 8

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, including stabilization funds, by borrowing or any combination thereof, for the purchase and installation of a replacement public safety radio system, including all costs incidental and related thereto; or take any action relative thereto.

Capital Planning Committee

ARTICLE 9

To receive and act upon a report from the Community Preservation Committee on the Fiscal Year 2022 Community Preservation Budget, and to appropriate or reserve for later appropriation monies for the administrative expenses of the Community Preservation Committee, the payment of debt service, the undertaking of Community Preservation projects and all other necessary and proper expenses for the year, and to determine whether such sums shall be raised from the Community Preservation Fund, transferred from available funds, borrowed, or any combination thereof; or take any other action relative thereto.

Community Preservation Committee

ARTICLE 10

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, by borrowing or any combination thereof, to be used for the repair and maintenance of certain Lincoln School Campus classrooms and buildings, including all costs incidental and related thereto; or take any other action relative thereto.

Lincoln School Committee

ARTICLE 11

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, by borrowing or any combination thereof, to be used for the repair and maintenance of certain Town buildings, including all costs incidental and related thereto; or take any other action relative thereto.

Board of Selectmen

ARTICLE 12

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, by borrowing or any combination thereof, to be used for the repair and maintenance of the Lincoln Library, including all costs incidental and related thereto; or take any other action relative thereto.

Library Trustees

ARTICLE 13

To receive and act on a recommendation from the Board of Selectmen with regard to the presentation of the annual Bright Light Award, and to transfer from Free Cash the necessary funds to support this award; or take any other action relative thereto.

Board of Selectmen

ARTICLE 14

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds (including any amount appropriated under Article 6 that exceeds the final Lincoln assessment voted no later than July 31st, by the Lincoln Sudbury Regional High School Committee for the fiscal year 2022, in accordance with law), by borrowing or any combination thereof, to add funds to the Debt Stabilization Fund, so called, previously established in accordance with Massachusetts General Laws, Chapter 40, Section 5B at the March 26, 2011 Annual Town Meeting, Article 19, for the purpose of funding future debt service obligations; or take any other action relative thereto.

Finance Committee

ARTICLE 15

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, by borrowing or any combination thereof, to add funds to the Group Insurance Liability Fund established by Chapter 474 of the Acts of 2008, which Fund will help offset the Town's so-called "Other Post-employment Benefits (OPEB)" liability established by Statements 74 and 75 of the Governmental Accounting Standards Board; or take any other action relative thereto.

Finance Committee

ARTICLE 16

To see if the Town will vote to raise and appropriate a sum of money by taxation, by transfer from available funds, by borrowing or any combination thereof, to add funds, representing Lincoln's proportionate share of the contribution recommended by the LSRHS School Committee, to the Lincoln Sudbury Regional School District Retirees Health Insurance Trust Fund, established by the acceptance of Chapter 32B, Section 20 of the Massachusetts General Laws, as amended by Chapter 68, section 57 of the Acts of 2011, for Lincoln

Sudbury Regional High School, which Fund will help offset the High School's so-called "Other Post-employment Benefits (OPEB)" liability established by Statements 74 and 75 of the Governmental Accounting Standards Board; or take any other action relative thereto.

Finance Committee

ARTICLE 17

To see if the Town will vote to accept and expend such sum or sums of money that may be available under the provisions of Massachusetts General Laws, Chapter 90 or any other state roadway reimbursement programs and to authorize the Board of Selectmen to enter into a contract with the Massachusetts Department of Transportation Highway Division and to authorize the Treasurer, with the approval of the Board of Selectmen, to borrow in anticipation of 100% reimbursement of said amounts; or take any other action relative thereto.

Board of Selectmen

ARTICLE 18

To see if the Town will vote to transfer from Free Cash a sum of money equal to the state reimbursement amount for Special Education Medicaid expenses to supplement the FY22 Lincoln School operating budget; or take any other action relative thereto.

School Committee

ARTICLE 19

To see if the Town will vote to appropriate a sum of money from the PEG Access and Cable Revolving Fund, previously established at the March 19, 2016 Town Meeting, Article 32, to support cable related purposes consistent with the franchise agreement between cable operators and the Town of Lincoln, including, but not limited to: (i) support of public, educational or governmental access cable television services; (ii) monitor compliance of the cable operator with the franchise agreement; and/or (iii) prepare for renewal of the franchise license; or take any other action relative thereto.

Board of Selectmen

ARTICLE 20

To see if the Town vote to transfer a sum of money from the town's cable revolving fund to supplement the funds authorized under Article 1 of the December 1, 2018 Special Town Meeting, and Article 8 of the June 13, 2020 Annual Town Meeting, to design, renovate, rebuild, equip and furnish the Lincoln School, located on Ballfield Road, Lincoln, MA, including the payment of all costs incidental or related thereto; provided, however, that said funds from the cable revolving fund shall be used for cable television infrastructure improvements, and associated costs, primarily in the Donaldson Auditorium; or take any other action relative thereto.

Board of Selectmen

ARTICLE 21

To see if the Town will vote to appropriate and transfer from Free Cash or any other source of funds a sum of money to reduce the total amount to be raised by taxation pursuant to the votes previously taken under Article 6 of this Warrant, or any other article of this Warrant authorizing the appropriation of funds; or take any other action relative thereto.

Finance Committee

ARTICLE 22

To see if the Town will vote to raise and appropriate, transfer from available funds, and/or appropriate any remaining bond proceed balances from previously authorized projects in accordance with the provisions of G.L. c.44, s. 20, and/or borrow a sum of money or any combination thereof, to purchase various capital items, and/or to fund capital projects of the Water Department, as recommended by the Water Commissioners, including all costs incidental or related thereto, and to authorize the Treasurer, with the approval of the Selectmen, to borrow all or a portion of said funds under the provisions of G.L. c.44 or any other enabling authority and to issue bonds or notes of the Town therefor; that such bonds or notes shall be general obligations of the Town unless the Treasurer with the approval of the Board of Selectmen determines that they should be issued as limited obligations and may be secured by local system revenues as defined in Section 1 of Chapter 29C, as amended, it being the intent of the Town, however, in either such case that the entire principal of and interest on such bonds or notes shall be paid from water rates and/or surplus; that the Treasurer with the approval of the Board of Selectmen is authorized to borrow all or a portion of such amount from the Massachusetts Clean Water Trust established pursuant to Chapter 29C, as amended and in connection therewith to enter into a financing agreement and/or security agreement with the Trust and otherwise to contract with the Trust and the Department of Environmental Protection with respect to such loan and for any federal or state aid available for the project or for the financing thereof; that the Board of Selectmen, Board of Water Commissioners or other appropriate local body or officials is authorized to enter into a project regulatory agreement with the Department of Environmental Protection, to expend all funds available for the project and to take any other action necessary or convenient to carry out the projects; and that any premium received upon the sale of any bonds or notes approved by this vote, and any prior vote authorizing debt, less any such premium applied to the payment of the costs of issuance of such bonds or notes, may be applied to the payment of costs approved by this vote in accordance with M.G.L. c. 44, §20, thereby reducing the amount authorized to be borrowed to pay such costs by a like amount, or take any other action relative thereto.

Water Commissioners

ARTICLE 23

To see if the Town will vote to appropriate and transfer a sum of money from Water Enterprise Retained Earnings for the purpose of supporting the FY 2021 Water Department operating budget, including all costs incidental and related thereto; or take any other action relative thereto.

Water Commissioners

ARTICLE 24

To see if the Town will vote to amend the Town’s General and Zoning Bylaws to change the name of the Board of Selectmen to the “Select Board,” by striking out, in every instance in which they appear in reference to that body, the words “Board of Selectmen” or “Selectmen” and inserting in place thereof the words “Select Board”; and by striking out, in every instance in which they appear in reference to Board members, the word “Selectman” and “Selectmen” and inserting in place thereof the words “Select Board Member” or “Select Board Members”; and further to authorize the Town Clerk to make non-substantive, ministerial revisions to ensure that gender and numerical issues in related text is revised to properly reflect such change in title; provided, however, that regardless of such nomenclature, said board shall constitute a board of selectmen for purposes of the General Laws and of any special law applicable to the Town; or to take any action relative thereto.

Board of Selectmen/Citizens’ Petition

ARTICLE 25

To see if the Town will vote to endorse the Board of Selectmen’s stated intention to review all Town bylaws and regulations for the purpose of making them gender neutral. If the Town so votes, the Board of Selectmen shall report back to Town Meeting in March of 2022 with any required bylaw amendments and a report regarding other actions that may be required to ensure gender neutral phrasing throughout the Town’s bylaws, policies, and regulations; or take any other action relative thereto.

Board of Selectmen

ARTICLE 26

To see if the Town will vote to Amend Article XV of its General By-Law, titled “Council on Aging,” by changing the Council’s name to the “Council on Aging and Human Services”; or take any other action relative thereto.

Board of Selectmen/Council on Aging

ARTICLE 27

To see if the Town will vote to amend its General By-Law by adding a new Section, titled Illicit Discharge Control and Stormwater Management By-Law, the purpose of which is to protect water quality and comply with federal requirements, as substantially on file with the Town Clerk; or take any other action relative thereto.

Board of Selectmen/Planning Board

ARTICLE 28

To see if the Town will vote to amend its Zoning By-Law by amending Section 14.3.2 Requirements for an Accessory Apartment by 1) deleting Section 14.3.2 (c) Age of Structure, 2) adding a cap on the number of accessory apartments equal to 5% of all residential units, and 3) requiring a minimum rental term of 30 days

where the accessory apartment or principal dwelling is occupied as a rental unit, as substantially on file with the Town Clerk; or take any other action relative thereto.

Planning Board

ARTICLE 29

To see if the Town will vote to add a property to the existing Town of Lincoln Historic District under Section 1.1 of Article XXV (Historic District) of the Town of Lincoln General By-Laws, the locations and boundaries of which proposed additions are shown on plans to be filed with the Lincoln Town Clerk and the Massachusetts Historical Commission and to be recorded with the Middlesex South Registry of Deeds; or take any other action relative thereto.

Historic District Commission

ARTICLE 30

To see if the Town will vote to add a property to the existing Town of Lincoln Brown's Wood Historic District under Section 1.2 of Article XXV (Brown's Wood Historic District) of the Town of Lincoln General By-Laws, the locations and boundaries of which proposed additions are shown on plans to be filed with the Lincoln Town Clerk and the Massachusetts Historical Commission and to be recorded with the Middlesex South Registry of Deeds; or take any other action relative thereto.

Historic District Commission

ARTICLE 31

To see if the Town will vote to correct a clerical error pertaining to the Map/Parcel number of one of the properties that were added to the Brown's Wood Historic District (Article XXV of the Town's General Bylaws) pursuant to the March 23, 2019 vote of the Annual Town Meeting, under Article 31; or take any other action relative thereto.

Historic District Commission

ARTICLE 32

To see if the Town will vote to accept the provisions of MGL, c. 40, s. 22F to allow any municipal boards or officers empowered to issue a license, permit, certificate, or to render a service or perform work to fix reasonable fees or charges; or take any other action relative thereto.

Board of Selectmen

ARTICLE 33

To see if the Town will vote to authorize the Board of Selectmen to petition the General Court for special legislation substantially as on file with the Town Clerk, authorizing the Town to provide a local Property Tax Circuit Breaker program to homeowners who meet certain income and asset tests, and who have resided in Lincoln for at least five years, provided, however, that the program would be 1) implemented by a vote

of Town Meeting subsequent to approval by the General Court, and 2) subject to a Town Meeting vote to renew every three years; and, further provided, that the General Court may make clerical or editorial changes of form only to the bill, unless the Board of Selectmen approve amendments to the bill before enactment by the General Court that are within the scope of the general purpose objectives of this petition; or take any other action relative thereto.

Board of Selectmen

ARTICLE 34

To see if the Town will vote to authorize the Board of Selectmen to enter into a payment in lieu of taxes ('PILOT') agreement, or Tax Agreement, pursuant to MGL, c. 59, s. 5 or section 38H(b), and c. 164, s. 1, and/or any other enabling authority, with Solar Star Lincoln School, LLC for personal and/or real property taxes associated with the solar photovoltaic facility to be located at the Ballfield Road Campus, 1-8 Ballfield Road, which is shown on Lincoln Assessors' Map 143 as parcel 143-15-0, for a term of up to 25 years, on such terms and conditions as the Board of Selectmen deems to be in the best interest of the Town, and to take any and all actions as may be necessary or convenient to accomplish the purpose of this article; or take any other action relative thereto.

Lincoln School Committee

ARTICLE 35

To see if the Town will vote to authorize the Board of Selectmen to enter into a payment in lieu of taxes ('PILOT') agreement, or Tax Agreement, pursuant to MGL, c. 59, s. 5 or section 38H(b), and c. 164, s 1, and/or any other enabling authority, with Solect Energy for personal and/or real property taxes associated with the solar photovoltaic facility to be located at the Minuteman Regional High School Campus, with a principal address of 758 Marrett Road, which is shown on Lincoln Assessors' Map 115 as parcel 115-10-0, for a term of up to 25 years, on such terms and conditions as the Board of Selectmen deems to be in the best interest of the Town, and to take any and all actions as may be necessary or convenient to accomplish the purpose of this article; or take any other action relative thereto.

Minuteman Regional High School Committee

ARTICLE 36

To see if the Town will vote to adopt a resolution, substantially as on file with the Town Clerk, in support of various federal, state and local actions to combat climate change; or take any other action relative thereto.

Citizens' Petition

ARTICLE 37

To see if the Town will vote to amend its General By-Laws by adopting a new Section, entitled "The Polyesterene Reduction By-Law," as substantially on file with the Town Clerk; or take any other action relative thereto.

Citizens' Petition

ARTICLE 38

To see if the Town will vote to petition the General Court for special legislation, as substantially on file with the Town Clerk, for the purpose of requiring Lincoln retail establishments to charge a fee for non-reusable check-out bags; or take any other action relative thereto.

Citizens' Petition

ARTICLE 39

To see if the Town will vote to amend its General By-Laws by adopting a new Section, entitled "The Prohibition of Disposable Plastics," as substantially on file with the Town Clerk, which would prohibit food establishments in Lincoln from using and distributing disposable plastic straws, stirrers and splash sticks; or take any other action relative thereto.

Citizens' Petition

ARTICLE 40

To see if the Town will vote to hear reports from the Board of Selectmen, Finance Committee and Capital Planning Committee on the status of the Community Center project; or take any other action relative thereto.

Citizens' Petition

Hereof fail not and make return of this Warrant with your doings, thereon to the Town Clerk, at or before the time for the meeting aforesaid. Given under our hands this the 15th day of April, 2021.



James Craig, Chair



Jennifer Glass



Jonathan Dwyer
Board of Selectmen

Glossary

Debt Exclusion and Capital Exclusion: Proposition 2½ allows a town to raise monies for capital projects or for the payment of debt service costs using either a **capital** or **debt exclusion**, respectively. Unlike the override, which results in a permanent increase in the town's levy limit, a **capital exclusion** is added to the levy limit or ceiling only for the year in which the project is being undertaken, and requires majority approval at town meeting. Likewise, **debt exclusion** is added to the levy limit or levy ceiling for the life of the debt only, and requires 2/3 vote at town meeting. Both of these exclusions require a 2/3 vote of the Selectmen in order to be placed on a ballot, with a majority of the electorate at the ballot box needed for authorization.

Debt Limit: Massachusetts state law (Ch44 S10) limits the amount of debt that a town can issue to no more than 5% of the “equalized valuation” (EQV) of the taxable property in town, unless approval to exceed it is obtained from the Municipal Finance Oversight Board.

Free Cash: This is money that had been appropriated but not spent for various budget line items together with unforeseen revenues. These monies are certified annually by the Department of Revenue as the town's **free cash**.

Levy (Tax), Levy Ceiling, and Levy Limit: The property **tax levy** is revenue raised through real and personal property taxes. Municipal revenues are raised through the tax levy, State Aid, and local receipts. The tax levy is the largest source of revenue.

Proposition 2½ places constraints on the magnitude of the levy imposed by a town as well as the amount by which the levy can be increased from one year to the next. The two limits on property taxes imposed by Proposition 2½ are:

- **Levy ceiling** - This establishes an overall cap on the levy. Ordinarily a town cannot levy more than 2.5% of the total full and fair cash value of all taxable real and personal property, which means the **tax rate** cannot be set higher than \$25 per \$1,000 of property value.
- **Levy limit** - The maximum levy allowed in a given year is the **levy limit**. This will always be equal to or less than the **levy ceiling**. The levy limit for any fiscal year amounts to the previous year's levy limit (less excluded debt) increased by 2.5% plus new growth, exclusions, and any override authorized by the electorate.

Levy Increase: The difference in the levy between one year and the next is the **levy increase**. This number is often represented as a percent. The town may set its levy at any amount up to its levy limit. It is important to recognize that the actual levy may increase more than 2.5% in a given year. This is allowable under Proposition 2½.

Other Post-Employment Benefits (OPEB): Benefits such as medical and life insurance premiums that an employee will begin to receive at the start of retirement. The Town is required to recognize these benefits as they have already been earned by active and retired employees. This does not include pension benefits paid to the retired employees.

Reserve Fund: This fund, established by the annual Town Meeting, is under the control of the Finance Committee. Transfers may be made from it for unforeseen expenditures. The limit on the size of this fund is 5% of the **tax levy** of the current fiscal year.

Stabilization Fund: The **stabilization fund** is a reserve account that allows the Town to put aside money in anticipation of future expenses.

Tax Rate: The **tax rate** is the amount of tax charged by the Town expressed in terms of a unit of the tax base: for example, \$9.35 per \$1000 of the assessed valuation of taxable property.

Property Tax Exemptions

PROGRAM	Senior & Veterans Work Off	Deferral 41A	Temporary Deferral 18A	Elderly 17E	Elderly 41D	Blind 37A	MA Income Tax Circuit Breaker
Eligible Age	Seniors: 60 Veterans: none	60	None	70	65	None	65
Income Limit	None	Single \$60,000 Married \$90,000	Financial hardship	None	Single \$23,045. Married \$34,564. excluding some SS	None	Single \$60,000 Married \$90,000
Asset Limit	None	None	Financial hardship	\$45,183. excluding domicile	Single \$46,086. Married \$63,369. excluding domicile	None	Domicile \$808,000
Assistance	Seniors up to \$1,500 Veteran's up to \$1000	Total Bill (but not CPA tax)	Total Bill (but not CPA tax)	\$663	\$2,000	\$1,000	For 2019, tax credit of up to \$1,130*
Inflation Adjustment	None	None	None	Annual CPI	None	None	Annual Adjustment
Apply	Annually	Annually	Annually (for 3 years only)	Annually	Annually	Annually	Annually
Deadline	Call Council on Aging 781-259-8811	Within 3 months after tax bill	Within 3 months after tax bill	Within 3 months after tax bill	Within 3 months after tax bill	Within 3 months after tax bill	File State Tax Form and Sch CB – can file for past 3 years

*Circuit Breaker Tax Credit = (RE tax + 50% water bill)10% qualified income)
FY 2021

Veterans Exemptions

Clause	Type	Amount *	Veteran	Spouse	Surviving Spouse	Surviving Parent
22	Veterans with minimum 10% war service disability	\$800	X	X	Until remarriage	
22	Veterans awarded Purple Hearts	\$800	X	X	Until remarriage	
22	Gold Star parents	\$800				X
22A	Veteran who lost one hand, foot or eye; or received a Congressional Medal of Honor, Distinguished Service Cross, Navy Cross, or Air Force Cross	\$1,500	X	X	X	
22B	Veterans who lost two hands or feet, or both eyes	\$2,500	X	X	X	
22C	Veteran with 100% disability and specially adapted housing	\$3,000	X	X	X	
22D	Surviving spouses of veterans killed in a combat zone	Total for 5 years, then \$2,500			X	
22E	Veterans with 100% disability	\$2,000	X		X	
8A	Paraplegic veterans	Total	X		X	

Veterans are also eligible for the Property Tax Work Off program

FY 2021