



# Lincoln Finance Committee

## Article 7

### Fiscal Year 2025 Budget

Annual Town Meeting

March 23, 2024

FINANCIAL SECTION AND WARRANT  
FOR  
THE 2023 ANNUAL TOWN MEETING  
LINCOLN, MASSACHUSETTS



SATURDAY, MARCH 25, 2023  
9:30 AM

DONALDSON AUDITORIUM

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

*Recommended Reading*

## ***Lincoln Finance Committee Members:***

- Andrew Payne (Chair)
- Paul Blanchfield (Vice Chair)
- Merrill Berkery
- Fuat Koro
- Nancy Marshall
- Rich Rosenbaum
- Ellen Meyer Shorb

*With much of the work done by  
Colleen Wilkins, Town Finance  
Director, and her staff.*

# FY 2025 Budget Overview

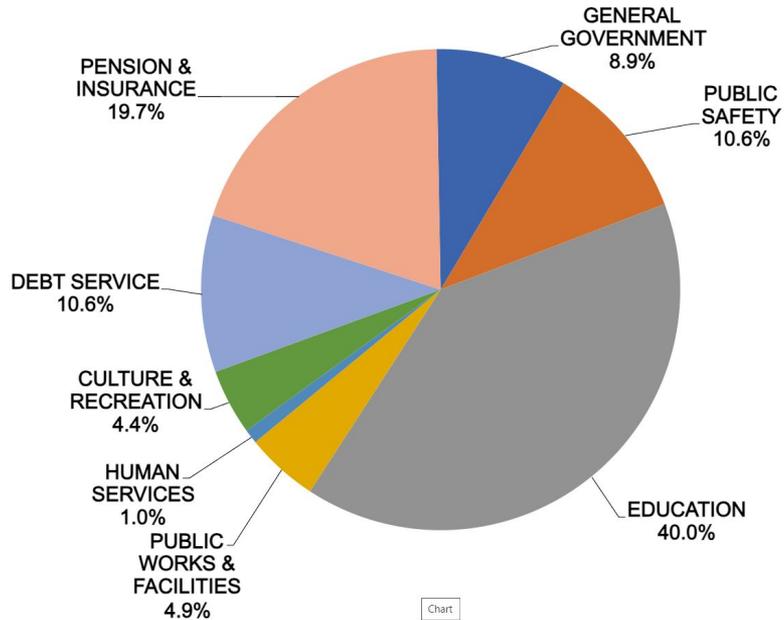
Revenues	
General Fund:	\$49,309,750
Water Department:	\$2,098,750
<b>Total:</b>	<b>\$51,408,500</b>

Proposed Budget	
General Fund (Article 7):	\$45,083,391
Cash Capital/Maintenance (Articles 8, 15, 16):	\$1,296,841
Free Cash Contribution (Community Center)	\$2,000,000
OPEB (Articles 18 & 19)	\$705,455
School Medicaid from free cash (Article 21)	\$58,500
Other articles (Articles 5, 13, 14, 23)	\$165,563
<b>Total Budget:</b>	<b>\$49,309,750</b>

- No operating override – for 17<sup>th</sup> year in a row
- Operating budget guideline of +2.5%, **plus ~\$779k** in level services & ‘preferred’ items

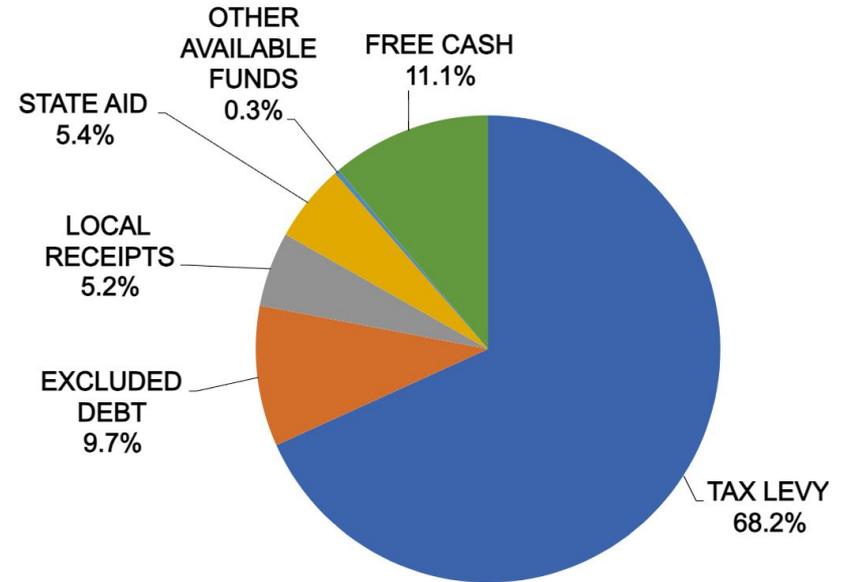
# Expenses

Expenditures by Category: FY'25



# Revenue

Revenues by Category: FY'25



# Revenue Highlights and Assumptions

- Debt Exclusion
  - Continued CPA funding of Town Offices debt service (Article 9)
- Free Cash certified \$10.5 million
  - Budget assumes **\$779k** for level svcs & preferred items
  - **\$5m\*** remains and funds Emergency Reserves

*\*Assumes residents approve Community Center project, using \$2m of Free Cash*

# FY 2025 Budget Considerations

- Process:
  - Estimate revenues within Proposition 2 ½ + fixed obligations
  - Set financially responsible targets for Emergency Reserves, Capital & Maintenance, OPEB & Stabilization
  - 2.5% guideline: *“if there is a need to go above 2.5% to avoid cutting service levels or there are significantly compelling preferred items (especially one-time), then this could be considered by the Committee.”*
- Factors:
  - Community Center project

# FY 2025 Budget (con't)

- Emergency Reserves per policy
  - Reserve Fund: 1.3% of budget (\$616,025)
  - Unappropriated Free Cash: at least 3.0% of budget
- Recommended appropriations in excess of 2.5%
  - **\$130,497** for maintaining existing services
  - **\$138,200** for “preferred” items
  - **\$498,067** for cash capital items

# Town Budget

Function	FY 24 Budget	FY 25 Proposed	\$ Change	% Change
General Govt. (excluding reserve fund)	\$3,138,266	\$3,406,699	\$268,433	8.6%
Public Safety	\$4,661,991	\$4,795,954	\$133,963	2.9%
Public Works (excluding fixed costs)	\$2,000,071	\$2,070,464	\$133,963	3.5%
Human Services	\$389,730	\$434,226	\$44,496	11.4%
Culture & Recreation (excluding Library)	\$770,304	\$809,469	\$39,165	5.1%
<b>Total</b>	<b>\$10,960,362</b>	<b>\$11,516,812</b>	<b>\$556,450</b>	<b>5.1%</b>

# Town Budget (con't)

- Level Services (**\$131k**), includes:
  - \$38,000 for IT malware & auth software
  - \$26,000 for green energy sourcing
  - \$22,000 for new radio tower maintenance contract
  - \$22,000 for continuing social worker post-ARPA
  
- “Preferred” requests (**\$138k**), includes:
  - \$90,000 for expanding IT Dept from 1 to 2
  - \$30,000 for consulting & engineering
  - \$18,200 for P/T position at Cemetery

# Capital Expenditures

- Capital Planning Committee recommends:
  - **\$1,154,593** for cash capital (Article 8)
  - **\$142,248** for maintenance (Articles 15-16)
- Includes **\$498k** of “preferred” items:
  - **\$24k** for Cemetery digital records
  - **\$35k** for town meeting clickahs
  - **\$250k** for a DPW loader
  - **\$200k** for town hall lighting controls

# Lincoln Public Schools

	FY 24 Budget		FY 25 Proposed	\$ Change	% Change
Town of Lincoln Portion of Lincoln Schools	\$13,161,319		<b>\$13,548,732</b>	\$387,413	2.9%*

Within guidance:

- Maintain class size policy & commitment to educational needs
- Support core programs & focused curriculum
- Support excellent teachers & staff
- **\$230k** for improvement initiatives

*\*NOTE: this % change includes SPED Medicaid reimbursement (Article 21)*

# Lincoln-Sudbury Regional High School

FY25 budget share of **\$4.4M**:

- Within Lincoln's budget guidance



- District proposed budget: **\$37.1M** (+3.4% vs FY24)
  - Lincoln's share: 12.7%
  - +13% increase in contracted services
  - +3.4% increase in salary/wages
- **\$55,455** for Lincoln's portion of LSRHS OPEB Trust Fund (Article 19)

# Lincoln Library



	FY24	FY25	% of FY25 Budget	△ FY24 → FY25
Personnel	\$822,402	\$832,263	71%	1.2%
Collection	\$170,369	\$176,581	15%	3.7%
Library Expenses	\$70,235	\$80,614	7%	15%
Building Expenses	\$85,590	\$87,750	7%	2%
<b>Totals</b>	<b>\$1,148,596</b>	<b>\$1,177,208</b>	100%	<b>2.5%</b>

*Anonymous donor trust provides contribution for books, keeps spending above state required 15%.*

# Vocational Technical Education



- Lincoln: member of Minuteman District thru FY17
  - Among 7 member towns to leave the district
  - New \$145M high school
- Lincoln is assessed *per student* (FY23):
  - \$19,622 tuition
  - \$6,902 capital fee
  - SPED fee + transportation fee
- Still owe debt service assessment for debt prior to leaving district
- FY25 budget proposal: **\$105,500**
  - Supports enrollment of 3-4 students
  - Since 2004, historical enrollment 2 to 11; currently 0

# OPEB Contributions

- Add to OPEB Trust Funds:

	FY 24	FY 25 Budget
Article 18: Lincoln OPEB Trust Fund	\$650,000	<b>\$650,000</b>
Water Board budget (Lincoln OPEB Trust Fund)	\$40,000	<b>\$40,000</b>
Article 19: LSRHS OPEB Trust Fund	\$51,348	<b>\$55,455</b>

**Note:** *the School Committee also makes contributions to the Town's OPEB Trust fund from the Hanscom DoD school contract.*

# Debt Service

Project	FY 24	FY 25 Budget
Short term interest	\$25,000	\$25,000
School Building Project	\$4,759,169	\$4,760,669

- Maintain AAA bond rating from S&P
- Note: CPA funds for Town office renovation (**\$287k**) and Wang property (**\$104k**)

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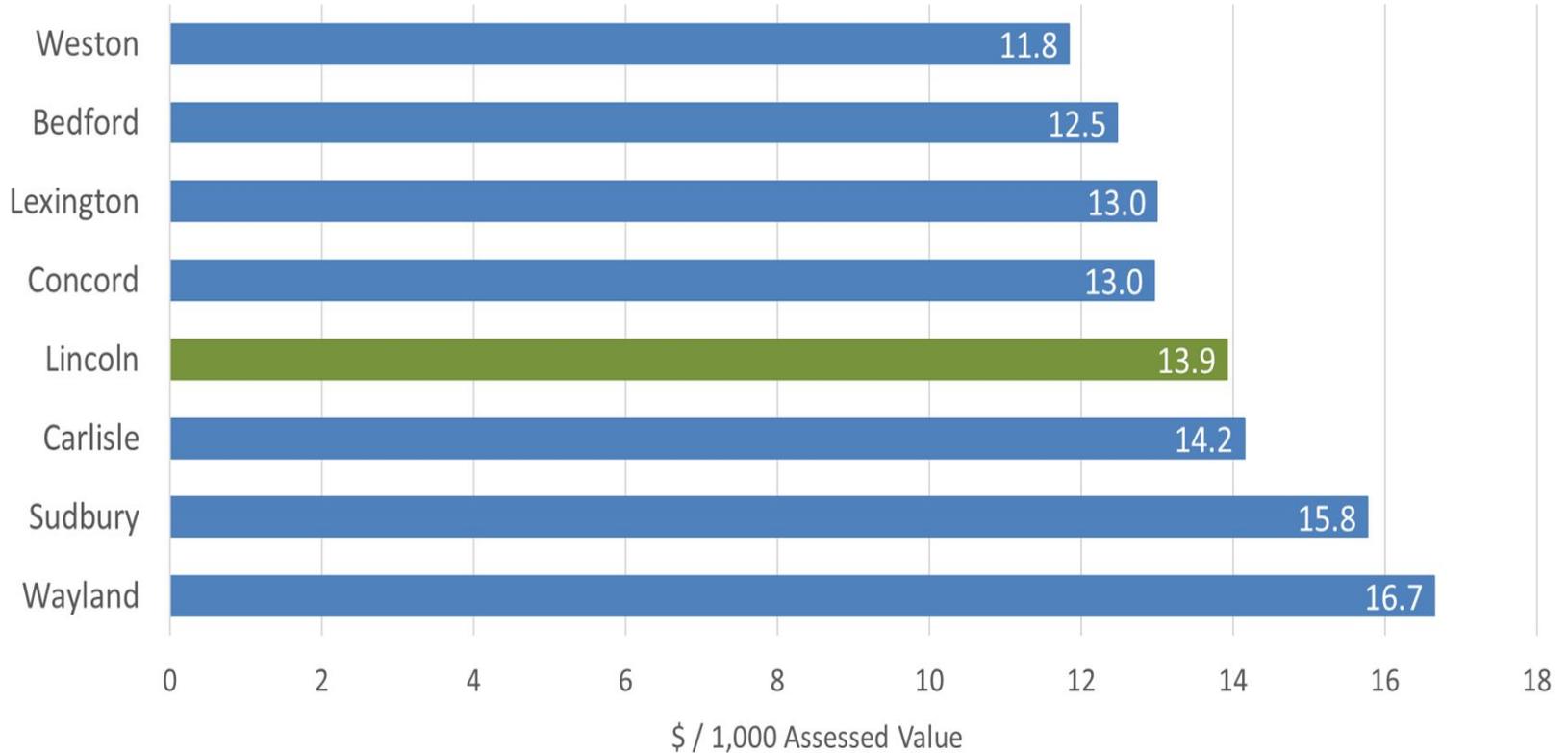
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*We recommend  
approval of Article 7*

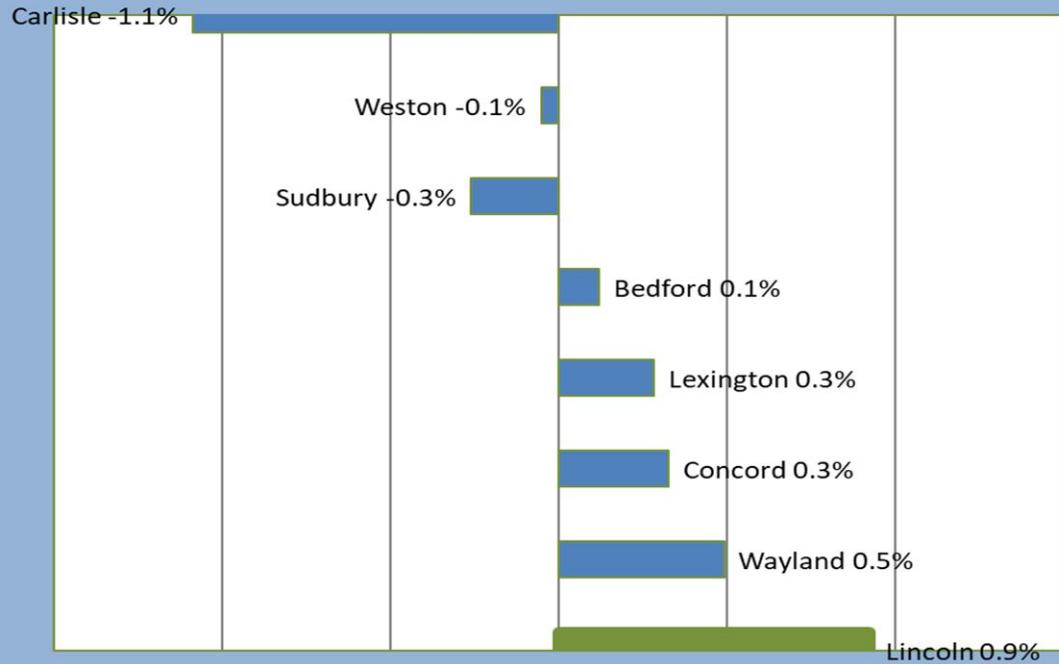
*Thank you*

# Backup Slides

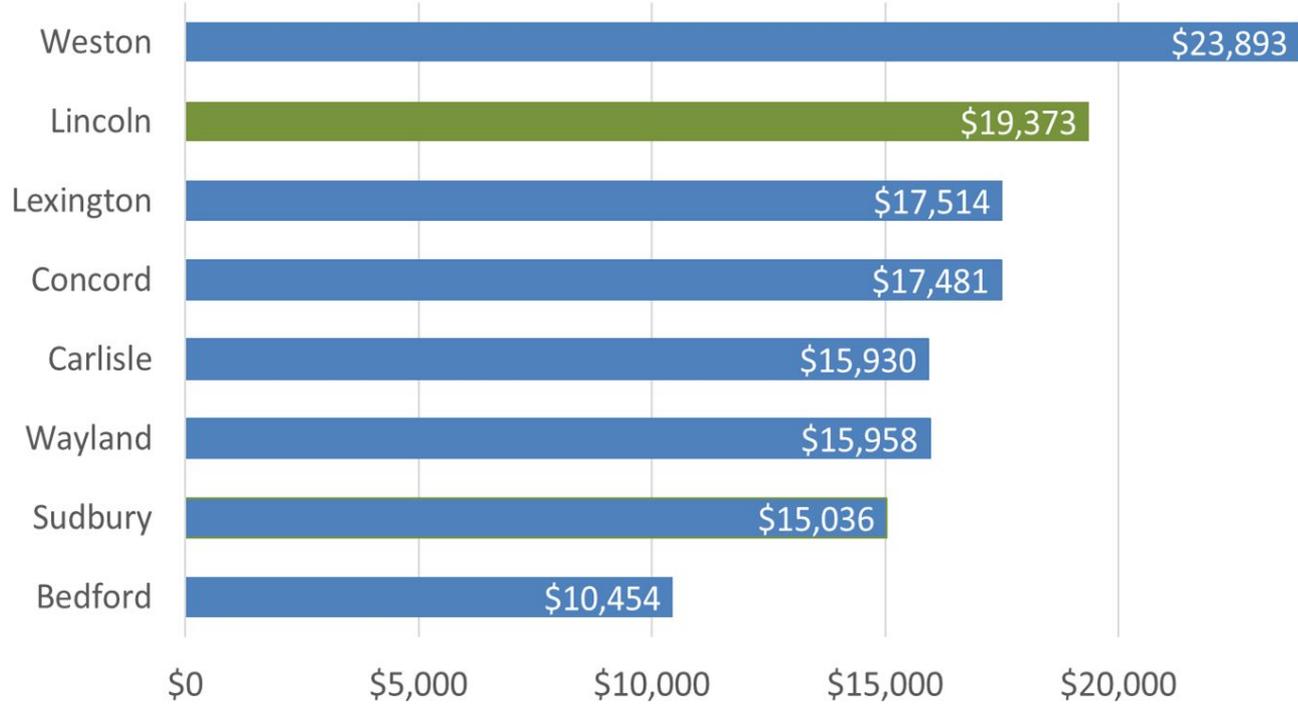
## Residential Tax Rate - FY2023



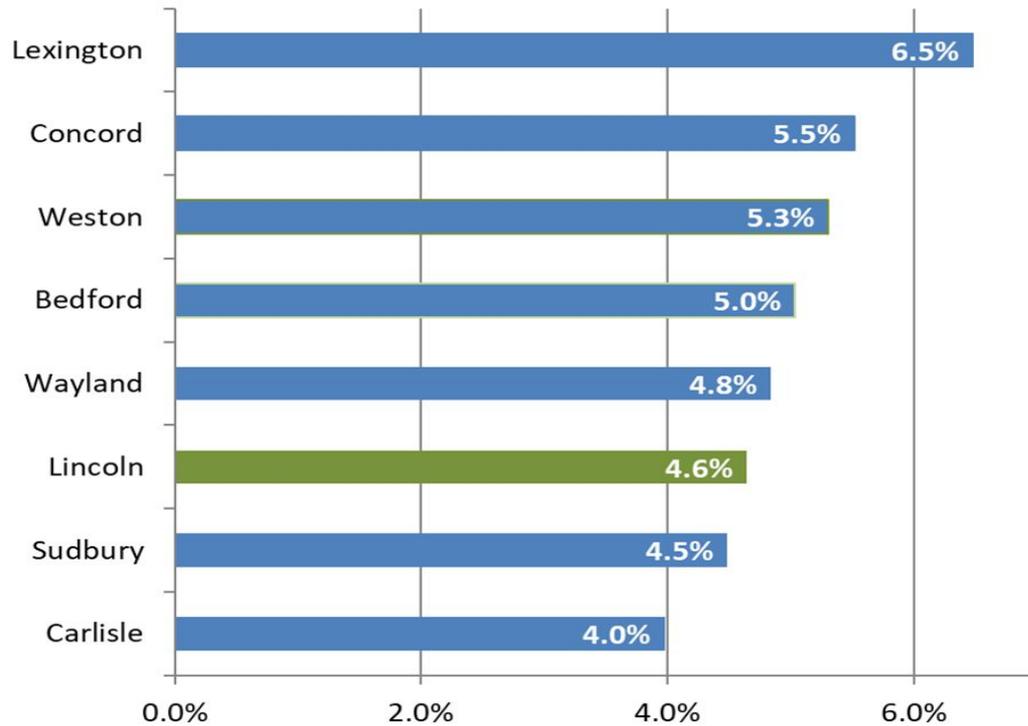
### Average Annual Growth of Residential Tax Rate 2000-2023



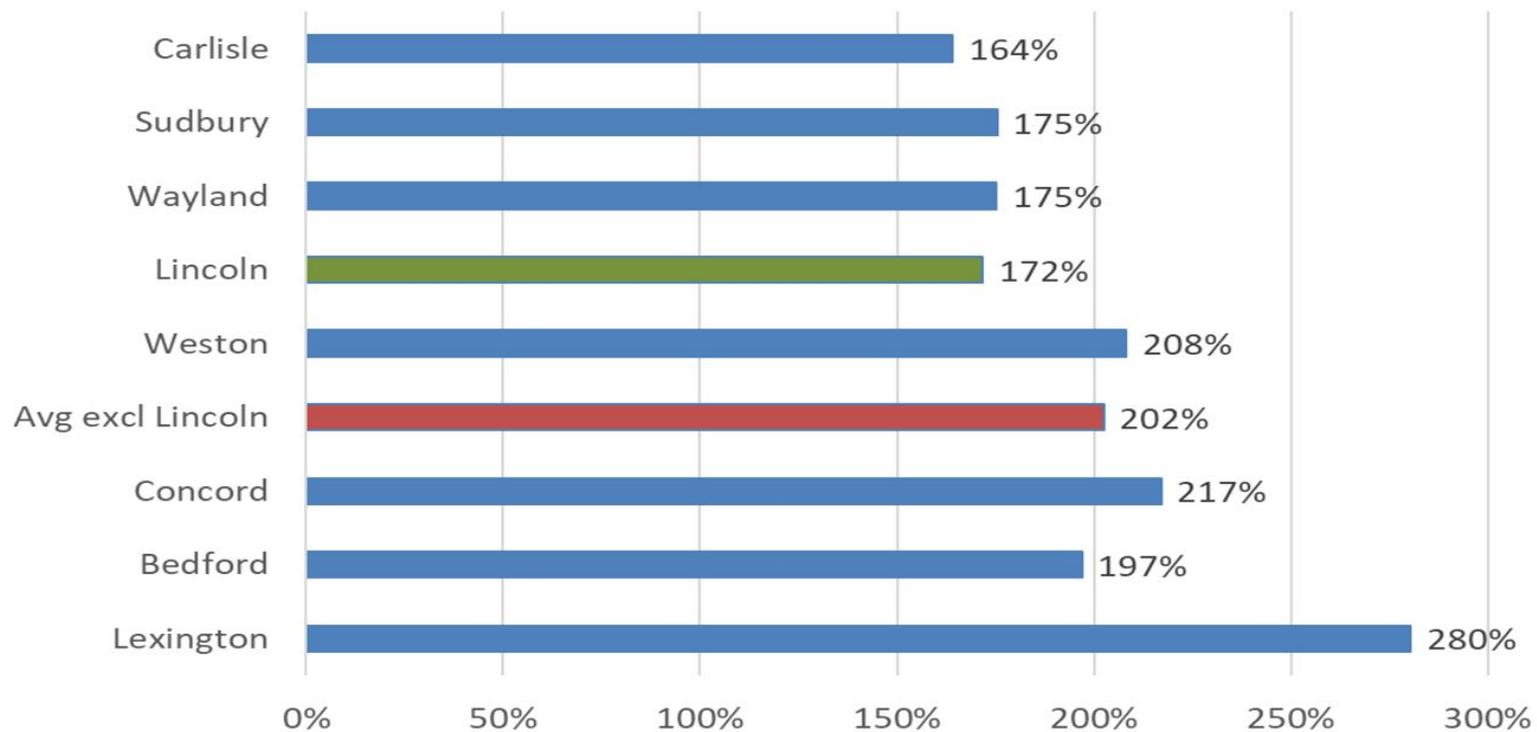
## Average Single Family Tax Bill - FY2023



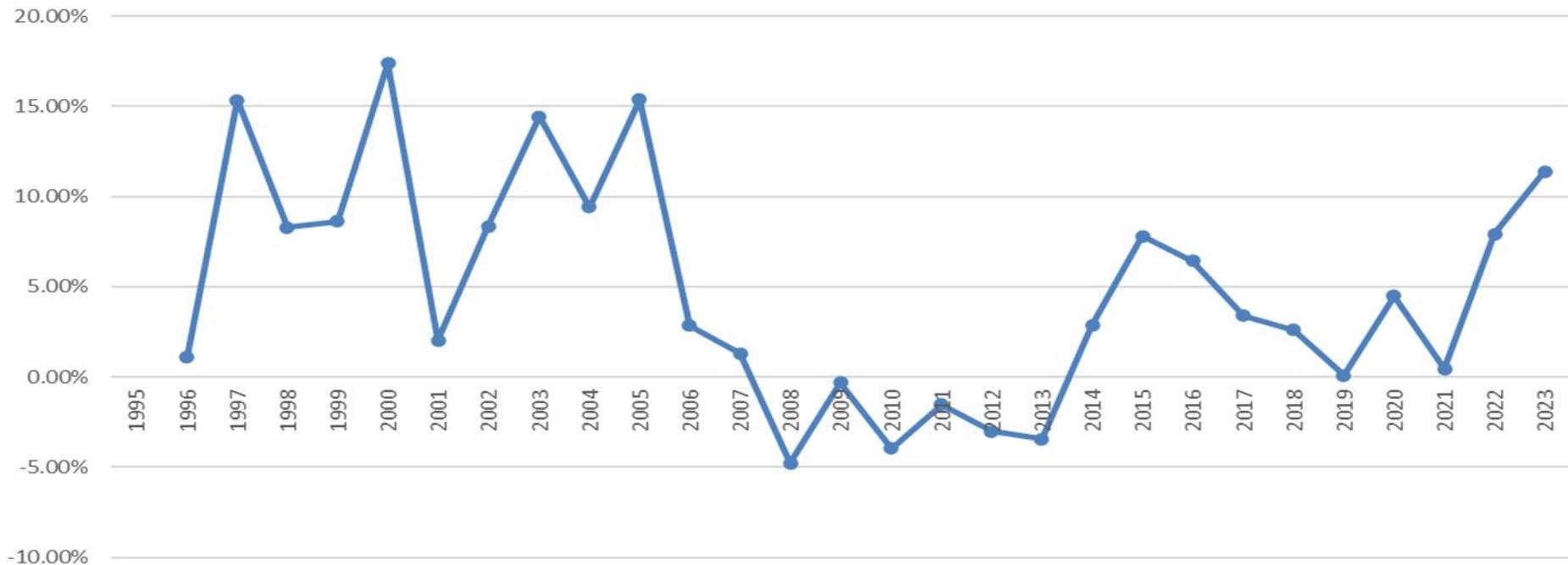
## Average Annual Growth Rates 1999-2023 Of Average Single Family Tax Bill



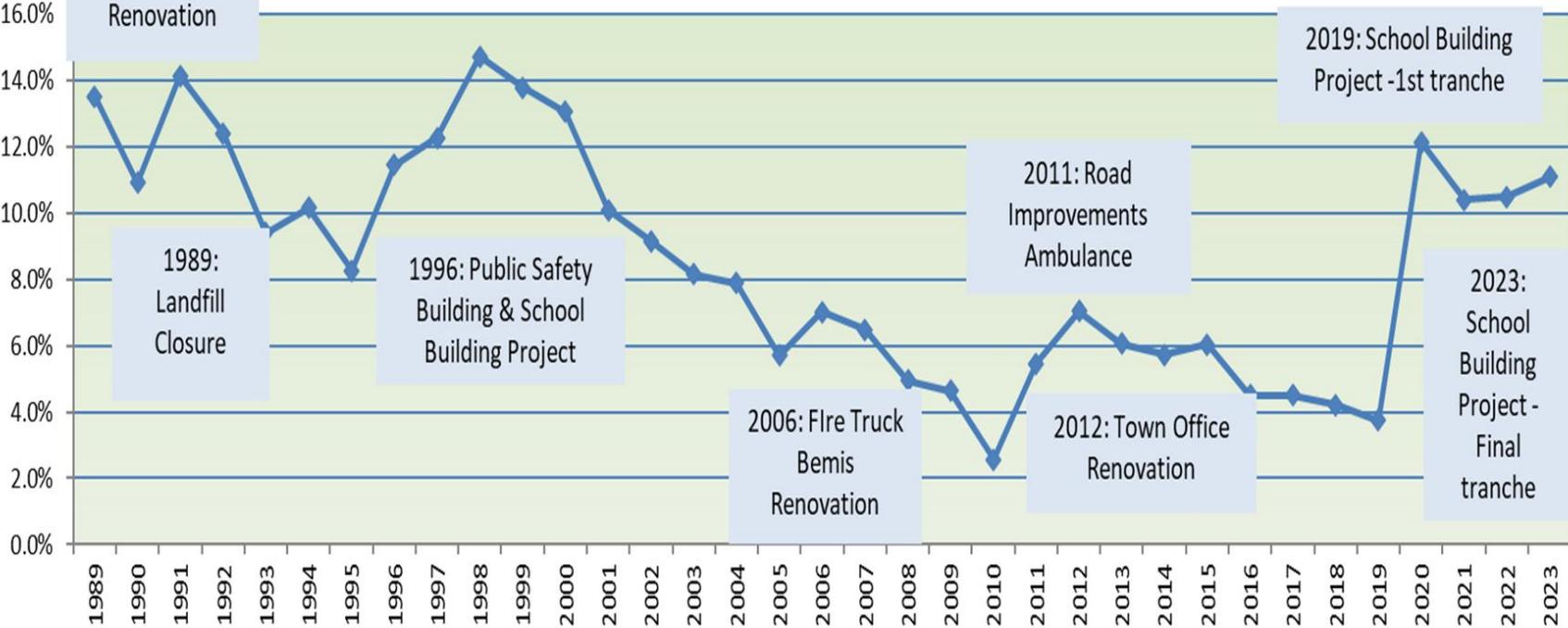
## Average Single Family Tax Bill Growth from 1999 - 2023



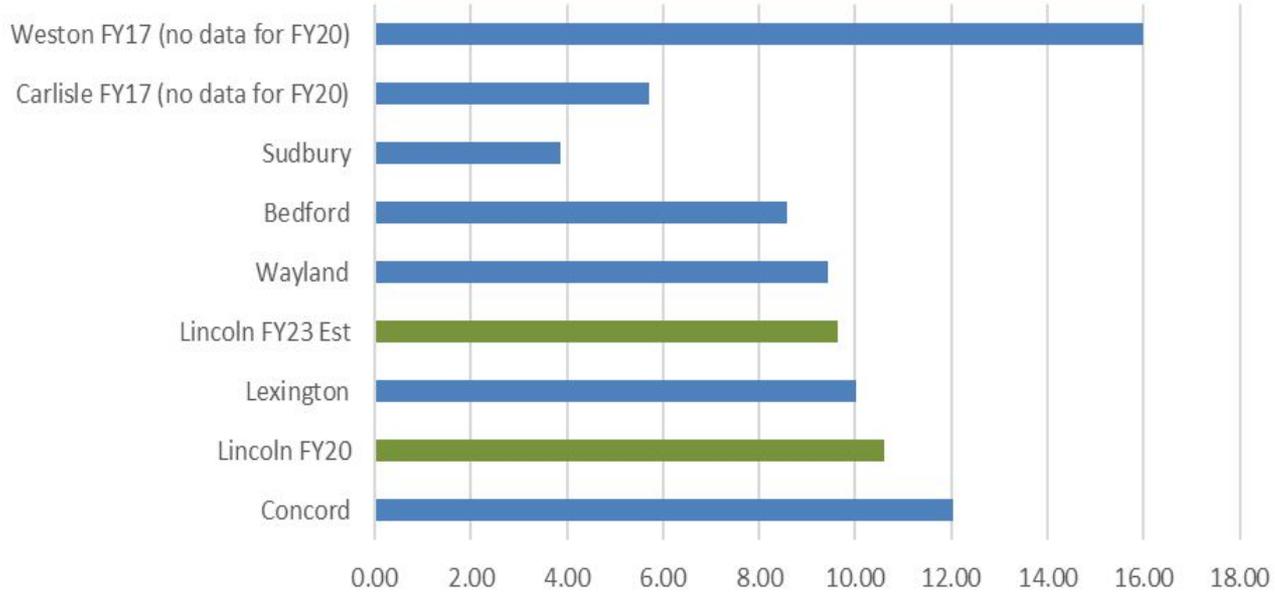
### Annual Growth Rate in Median House Value



# Debt as % of General Fund Budget



### Debt as a % of Operating Budget FY20 Data



# Health Insurance Budget

