



Town of Lexington

Town Manager's Office

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MEMORANDUM

TO: Select Board
FROM: Jim Malloy, Town Manager
DATE: February 10, 2022
RE: Outstanding Budget Items

As per the Select Board's discussion on 2/6/23 the following items were initially those items the Select Board indicated they were interested in seeing included in the FY2024 budget:

- Lexpress – The Board was interested in seeing the funding remain at level-service and not level-funding.
- Funding for the maintenance for the brick sidewalks in the Center.
- Funding for the Assistant Public Grounds Superintendent
- Funding for an additional Fire Inspector
- Funding for curbside composting

Ultimately, the Board opted to focus on Lexpress and composting, but I want to address all of these items so the Board has my thoughts on why certain recommendations were made.

Lexpress - as I explained at the 2/6/23 meeting, an RFP for Lexpress is in the process of being drafted that provides for two alternatives. One alternative includes a Lexpress service with two routes (assumed to be close to level funded) and the second alternative would include three routes (level service).

Attached is a spreadsheet that shows the riders per route, total riders per year as well as a chart that includes a history of ridership from 2000-2022. As the Board can see from the attached spreadsheet Route 3 has very low ridership (averaged 13.5 riders per day for the past two years). I have also attached a map that shows all three routes. My thought in having the RFP include two options is based on the budget development discussions, reviewing the route map and my belief that two routes could be developed that would include the same areas of the Town and have better utilization of the 3 buses so that we don't have empty buses burning diesel fuel running routes that are not effective. I continue to believe that more effective bus routing could be developed for FY24 while the Ad Hoc Transportation Committee reviews the future of Lexpress and that would be within (or closer to) the budget as presented. However, should the Select Board opt to maintain a level service with the three current routes, my recommendation is that the additional funding (original request was for a \$140,000 increase in funding for Lexpress), the following would be the funding sources I recommend the Select Board consider:

1. Transportation Demand Management (TDM) Stabilization Fund (current balance: \$786,779)
2. ARPA
3. Free Cash

Providing level service Lexpress with funding from the TDM Stabilization Fund will require a vote of Town Meeting. This would be accomplished by adding \$140,000 to the Human Services Expense Line item in the Program Summary, and including an additional \$140,000 in the transfer from the TDM Stabilization Fund in Article 4 of the 2023 Annual Town Meeting (the White Book proposed a \$171,000 from the TDM, this change would increase the total to \$311,000).

Note that choosing any of these funding mechanisms for funding Lexpress in FY24 will create an issue in FY25 in which the \$140,000 used from any of the one-time funds listed above will need to be built into the General Fund budget in FY25 (in addition to the \$395,272 used from free cash to balance the budget).

Composting – I believe there may be some confusion on the Select Board's intent as I've heard different perceptions from different Select Board members and staff on intent for the curbside composting program. My recommendation below is based on curbside composting being a one-year Pilot Program for 2000 homes to have 100% of curbside composting paid for by the Town (the current 1300 + 700 additional new customers) to determine what the beneficial impact may be. The cost for 100% paid curbside composting is \$216,000 (2000 households x \$108 per household). The following are the funding sources that I am recommending the Board consider:

1. ARPA
2. Free Cash
3. Cutting Other Expenditures/Staff

If this is a one-time funding item, options (1) & (2) above will not incur any future budgetary liability that will need to be covered under the General Fund. If this is an ongoing program that is expanded the amount of one-time funds used in FY24 will need to be incorporated into the FY25 budget as well as any costs associated with expanding this program. I do not recommend cutting other expenditures/staff, but will as a last resort should that be the Board's preference.

I recognize that paying for trash removal is an issue that has been debated for some time in Lexington. However, some discussion on what the measurable results will be for a pilot program that includes 1300 existing curbside compost customers plus 700 new curbside compost customers and what those results might show that will be useful in making future decisions in relation to curbside composting. If the goal is to reduce trash that is either sent to a waste to energy plant or landfilled, the proven method is to provide a disincentive for throwing away trash and an incentive for recycling/composting. I'm not sure whether this pilot program as presented will provide any additional insight over a one-year period that will assist the Town in making future policy decisions. There may be value in taking the long-term approach and have the discussion about establishing a charge for trash removal and adding free compost (either through backyard or curbside as I don't believe everyone prefers curbside) and undertaking this as a town-wide program, presented to Town Meeting and funded

through a combination of property taxes (as it's currently funded) and fees related to the trash removal.

PIR's – The other items the Select Board discussed that were PIRs were the requests for an Assistant Superintendent of Public Grounds and an additional Fire Inspector. Attached please find the Senior Management Team's (SMT) ranking of PIR's requested by members of the SMT. The Fire Inspector was ranked #6 and Assistant Superintendent of Public Grounds #8 (tied). I believe this demonstrates that on a need-based priority ranking there are still a few items that were recommended by the SMT than the Assistant Superintendent or Fire Inspector. Since we are not funding all of the items ranked higher than these two requests, I don't believe it is appropriate to fund these two items before we fund items that were deemed to have a greater need.

Brick maintenance in the Center - We discussed that this did not need to be funded in FY24, but that it would need to be a regular expense starting in FY25. I have confirmed this with Dave Pinsonneault, DPW Director this week.

This has been a challenging budget year where both the Town and School departments are facing operating constraints. We have worked collaboratively to reach a balanced budget that meets our needs to continue providing excellent services. In recognition of current and future challenges, management does not recommend utilizing any additional Free Cash for ongoing operations in FY2024. As noted above, use of free cash and other one-time revenues cause additional challenges in future budget cycles.

Should the Board have any questions or need to discuss this further, please do not hesitate to contact me. Thanks.

	FY21			FY22			FY23			
Days/Year Of Operation:	248			248			117			
Total Riders:	11,498			19,689			8,369 **			
	% of Riders	Total Riders	Daily	% of Riders	Total Riders	Daily	% of Riders	Total Riders*	Daily	3-Yr Avg
Route A	36%	4,139	17	37%	7,285	29	36%	3,013	26	36%
Route B	53%	6,094	25	46%	9,057	37	45%	3,766	32	48%
Route C	11%	1,265	5	17%	3,347	13	19%	1,590	14	16%

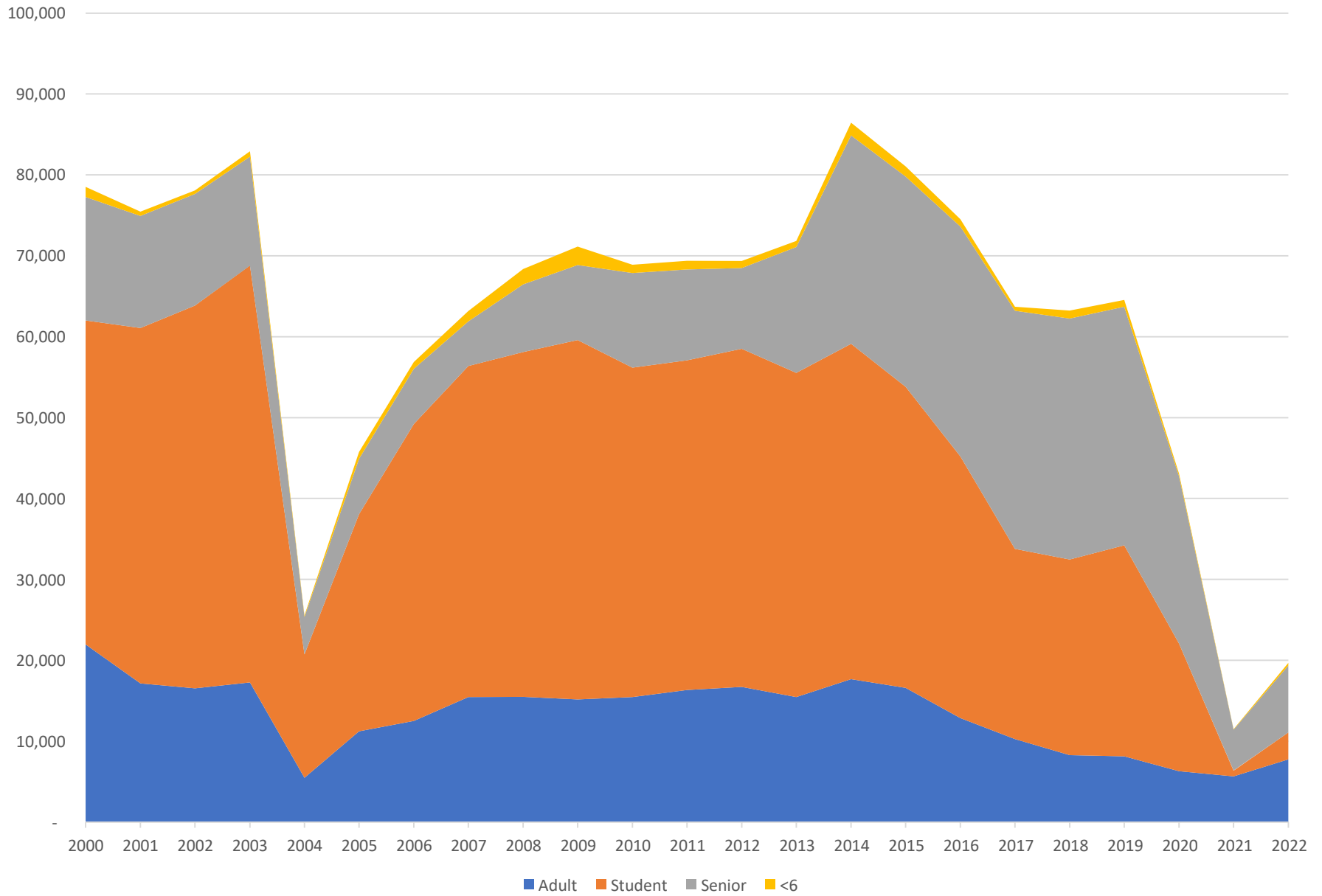
	Riders Per			Riders Per			Riders Per		
	Daily	Riders	Run	Daily	Riders	Run	Daily	Riders	Run
Route A (12 scheduled runs)		17	1.4		29	2.4		26	2.1
Route B (12 scheduled runs)		25	2.0		37	3.0		32	2.7
Route C (12 scheduled runs)		5	0.4		13	1.1		14	1.1

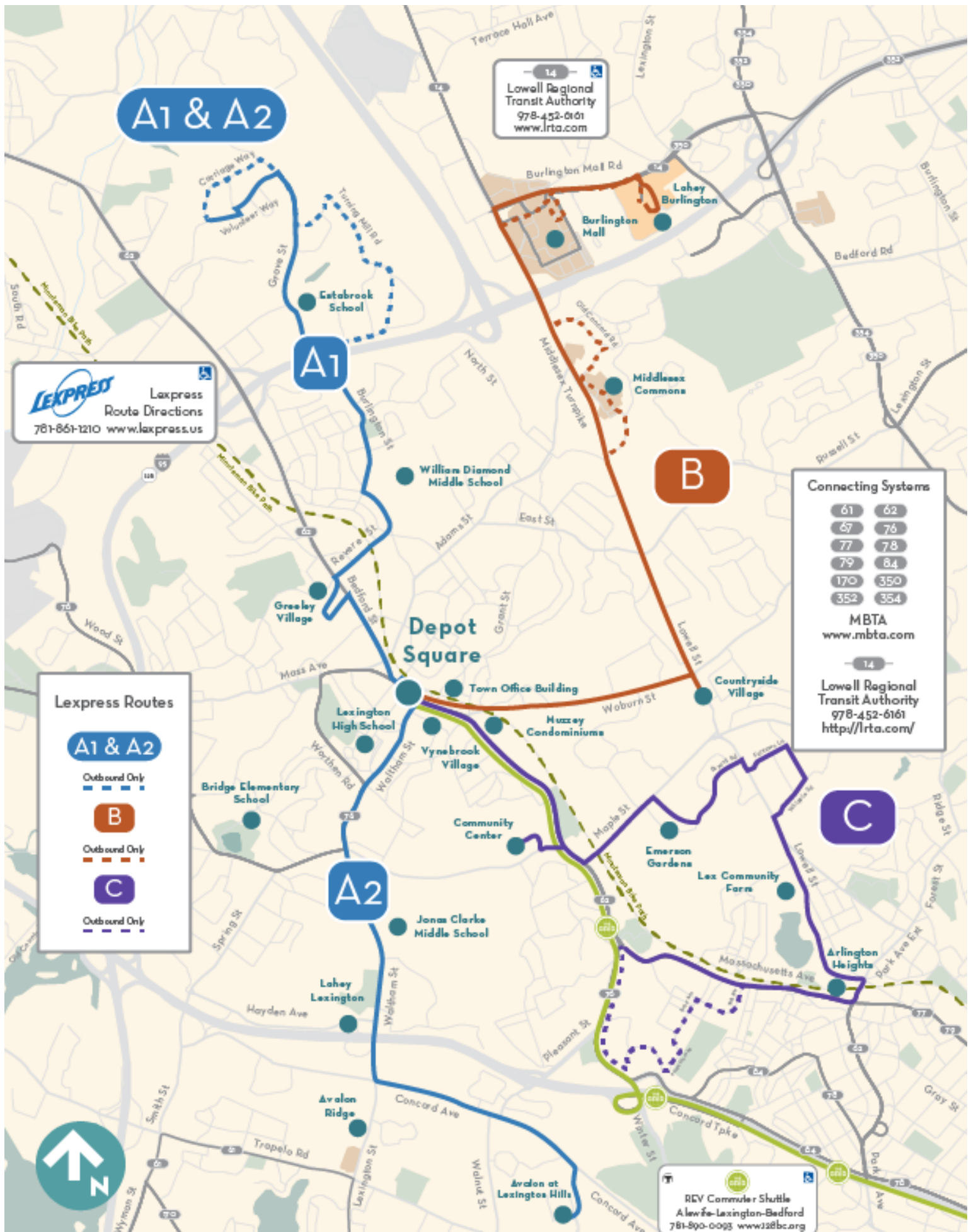
* Through January 2023
 ** Total Riders for 4 months

Total LexPress Budget (FY24)	\$	637,041	\$	637,041
Cost Per Ride	\$	55	\$	32
Total Transportation Budget (FY24)	\$	797,872	\$	797,872
Cost Per Ride	\$	69	\$	41

FY Year	Adult	Student	Senior	<6	Total Rides
2000	21,971	40,042	15,246	1,257	78,516
2001	17,161	43,929	13,841	511	75,442
2002	16,537	47,323	13,787	424	78,071
2003	17,282	51,512	13,454	685	82,933
2004	5,488	15,253	4,637	172	25,550
2005	11,242	26,803	6,846	864	45,755
2006	12,528	36,650	6,865	834	56,877
2007	15,451	40,944	5,519	1,270	63,184
2008	15,494	42,615	8,381	1,889	68,379
2009	15,170	44,428	9,265	2,278	71,141
2010	15,452	40,746	11,669	1,036	68,903
2011	16,348	40,735	11,242	1,069	69,394
2012	16,706	41,804	9,980	886	69,376
2013	15,459	40,099	15,521	751	71,830
2014	17,668	41,468	25,730	1,590	86,456
2015	16,585	37,248	25,953	1,264	81,050
2016	12,869	32,337	28,415	902	74,523
2017	10,275	23,485	29,460	479	63,699
2018	8,300	24,152	29,801	994	63,247
2019	8,146	26,051	29,520	838	64,555
2020	6,294	15,770	20,669	347	43,080
2021	5,653	726	5,060	59	11,498
2022	7,756	3,334	8,270	329	19,689

LexPress Ridership 2000-2022





Program Improvement Request Summary

Scoring Directions

Give each PIR a score on a scale of 1 to 5. A score of 1 indicates a lower priority and a score of 5 indicates a higher priority.

GENERAL FUND	
Program	Description
Public Facilities	
12600 - Public Facilites	VFA Annual Subscription Fee
Total Public Facilities	
Public Works	
23210/3100 - Highway/Engineering	Streetscape Maintenance Program
33300 - Public Grounds	Assistant Superintendent for Public Grounds
Total Public Works	
Police	
44110 - Police Administration*	Professional Standards Lieutenant
54140 - Investigation and Preventic	School Resource Officer
64110 - Police Administration	Deputy Chief Position
74110 - Police Administration	Community Resource Dog
8TDB	Code Enforcement Officer
Total Police	
Fire	
94220 - Fire Prevention	Lieutenant Fire Inspector
Total Fire	
Library	
105130 - Youth Services	Full-Time Youth Services Librarian
115110 - Admin & General Services*	Building updates not covered by Facilities
125120 - Adult Services	Full-Time World Language Librarian I
Total Library	
Recreation	
135240 - Community Center	Non-Program Facility Expenses
Total Recreation	
Land Use, Health & Development	
147110 - Building and Zoning	Sealer of Weights and Measures
157130 - Conservation	Chipping
167130 - Conservation	Conservation Regulatory Assistant Hours
177200 - Planning	Housing Officer/Planner
187300 - Economic Development	Liberty Ride Driver
197300 - Economic Development	FT Tour Service Coordinator
207300 - Economic Development	Full-time Assistant Visitors Center Manager
Total Land Use, Health & Development	
Select Board	
218110 - Select Board Office	LexMedia Supplemental Funding
Total Select Board	
Town Manager	
228220 - Human Resources	Hiring of a Benefits Assistant
238210 - Town Manager's Office	Lexington HeatSmart Program
248220 - Human Resources	Classification and Compensation Study
258220 - Human Resources	Full-time Administrative Assistant
Total Town Manager	
Town Committees	
268320 - Misc. Boards & Committees	Human Rights Committee
278320 - Misc. Boards & Committees	Lexington Council for the Arts
Total Town Committees	

Points Total	Average Score
1 : Lower Priority --- 5 : Higher Priority	
34	3.4
1 : Lower Priority --- 5 : Higher Priority	
37	3.7
33	3.3
1 : Lower Priority --- 5 : Higher Priority	
28	2.8
31	3.1
30	3
19	1.9
21	2.1
1 : Lower Priority --- 5 : Higher Priority	
36	3.6
1 : Lower Priority --- 5 : Higher Priority	
24	2.4
27	2.7
24	2.4
1 : Lower Priority --- 5 : Higher Priority	
32	3.2
1 : Lower Priority --- 5 : Higher Priority	
40	4
20	2
27	2.7
22	2.2
27	2.7
23	2.3
23	2.3
1 : Lower Priority --- 5 : Higher Priority	
29	2.9
1 : Lower Priority --- 5 : Higher Priority	
42	4.2
19	1.9
41	4.1
40	4
1 : Lower Priority --- 5 : Higher Priority	
22	2.2
15	1.5

Ranking	PIR
1	HR - Hiring of a Benefits Assistant
2	HR - Classification and Compensation Study
T3	HR - Full-time Administrative Assistant
T3	LUHD - Sealer of Weights and Measures
5	DPW - Streetscape Maintenance Program
6	FD - Lieutenant Fire Inspector
7	DPF - VFA Annual Subscription Fee
T8	DPW - Assistant Superintendent for Public Grounds
T8	Water - Leadman Upgrade
T8	Sewer - Leadman Upgrade
11	REC - Non-Program Facility Expenses
12	PD - School Resource Officer
T13	PD - Deputy Chief Position
T13	FIN - Tyler ERP/Cashiering Module
15	SB - LexMedia Supplemental Funding
T16	Clerk - Archivist/Records Officer
T16	PD - Professional Standards Lieutenant
T18	LIB - Building updates not covered by Facilities
T18	LUHD - Conservation Regulatory Assistant Hours
T18	LUHD - Liberty Ride Driver
T21	LIB - Full-Time Youth Services Librarian
T21	LIB - Full-Time World Language Librarian I
T23	LUHD - FT Tour Service Coordinator
T23	LUHD - Full-time Assistant Visitors Center Manager
T25	LUHD - Housing Officer/Planner
T25	Human Rights Committee
27	PD - Code Enforcement Officer
28	LUHD - Chipping
T29	PD - Community Resource Dog
T29	TMO - Lexington HeatSmart Program
31	Lexington Council for the Arts

Finance		1 : Lower Priority --- 5 : Higher Priority	
28	8420 - Treasurer/Collector	Tyler ERP/Cashiering Module	3
Total Finance			
Town Clerk		1 : Lower Priority --- 5 : Higher Priority	
29	8500 - Town Clerk	Archivist/Records Officer	2.8
Total Town Clerk			
Total General Fund			
NON-GENERAL FUND			
Water/Sewer Enterprise		1 : Lower Priority --- 5 : Higher Priority	
30	3600 - Water	Leadman Upgrade	3.3
31	3700 - Sewer	Leadman Upgrade	3.3
Total Water/Sewer Enterprise			
Total Recreation Enterprise			
Total Non-General Fund			