



Lakeville FY 2025 Operating Budget

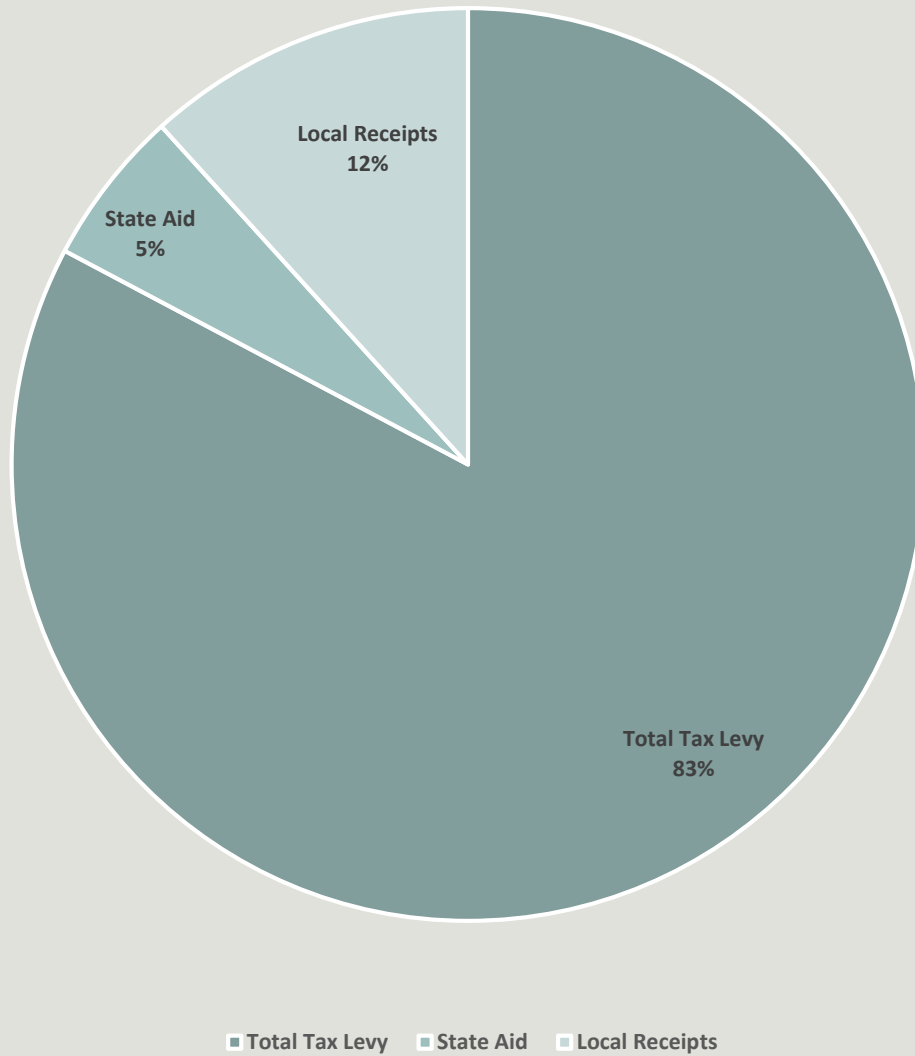
MARCH 11, 2024

ROBERT G. NUNES, INTERIM TOWN ADMINISTRATOR



FY 2025 Budget Overview

- Level service budget
- No employee layoffs
- Fund contractual and non-union personnel obligations
- Department enhancement requests were not funded
- Employee upgrade requests were not funded
- Conservative revenue projections



FY 2025
Revenue By
Source -
\$36,434,781.00

Total
Operating
Revenue

Projected Revenues	
Levy	\$28,125,641.00
2.5% Increase	703,141.00
New Growth	129,960.00
Debt Exclusions	890,963.00
LFRSD Exclusions	154,321.00
Total Tax Levy	\$30,004,026.00

Total Operating Revenue

Projected Revenues	
State Aid	\$2,002,654.00
Local Receipts	4,250,000.00
Free Cash	120,000.00
Septic Loan Program	58,101.00
Total Other Revenue	\$6,430,755.00
Total	\$36,434,781.00

Property Tax Levy

The property tax is

- A statutory mechanism to fund local government operations
 - Administered by local government
 - Largest source of local government revenue
 - Includes levy, 2.5% increase, new growth, and debt exclusions
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- A debt exclusion is an action taken by a community through a referendum to raise the funds necessary to pay for a project from the property tax levy, but outside the limits of Proposition 2 ½
 - Debt exclusion revenue of **\$1,045,284.00** for Route 79, Police Station and renovation and reconstruction of the Austin School

New Growth

Current and Historic New Growth

FY 2025 Projection	\$129,960.00
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FY 2024 Certified	\$341,078.00
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FY 2023 Certified	\$522,531.00
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FY 2022 Certified	\$625,186.00
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**Future New Growth: Proposed \$125M development at 43 Main Street
e.g. permitting fees, real and personal property taxes.**

State Aid

The two largest forms of state aid for Lakeville are Unrestricted General Aid and Smart Growth School Reimbursement

The following is based on Governor Healey's FY25 Budget Recommendation:

- FY25 State Aid: **\$2,002,654.00**
- Increase in Smart Growth Reimbursement of **\$267,750.00***
- Net increase of over **\$296,043.00** FY24
- *Smart Growth Reimbursement: Annual state reimbursement provided under MGL c. 40S for additional school costs for students living in smart growth zoning districts c. 40R

Assessments:

- Cherry Sheet Assessments are charges assessed by the Commonwealth and Plymouth County
- FY25 State Assessments: **\$220,417.00**

Local Receipts

Examples of local receipts include:
motor vehicle excise, meals and
rooms, excises, penalties, Medicaid
reimbursements, fees, licenses &
permits, fines, investment income,
charge for service

Motor Vehicle Excise	
FY25 Projected	\$2,260,000.00
FY24 Projected	\$2,000,000.00
FY23 Actual	\$2,257,192.00
FY22 Actual	\$2,155,242.00
Ambulance/EMS Fees	
FY25 Projected	\$1,025,000.00
FY24 Projected	\$1,000,000.00
FY23 Actual	\$1,012,128.00
FY22 Actual	\$1,010,955.00

Cannabis Revenue

- Not Projected in FY 2025 Budget
- Host Community Agreements (5)

Legislative Changes to Cannabis Law

- Impact on Host Community and Development Agreements
- Legal issues are ongoing

Local Receipts

Free Cash

Free Cash is defined as unrestricted and available funds for appropriation by Town Meeting

Certified as of July 1 based on the June 30th balance sheet, which reflects results from the prior year

Should be considered as non-recurring revenue

Free Cash will be used to fund ongoing capital projects and subsidies for the Parks Commission and Transfer Station.

- **Transfer Station: \$102,500.00**
- **Parks Commission: \$17,500.00**

7/1/2024 Free Cash will be certified in the fall of 2024.

Free Cash	
FY24 Certified (7/1/23)	\$3,908,875.00
Balance as of 3/4/24	\$1,587,375.00
FY23 Certified	\$2,125,559.00
FY22 Certified	\$2,417,877.00

Stabilization Fund

A Stabilization “rainy day” Fund is a special reserve fund into which monies may be appropriated and reserved for a later appropriation

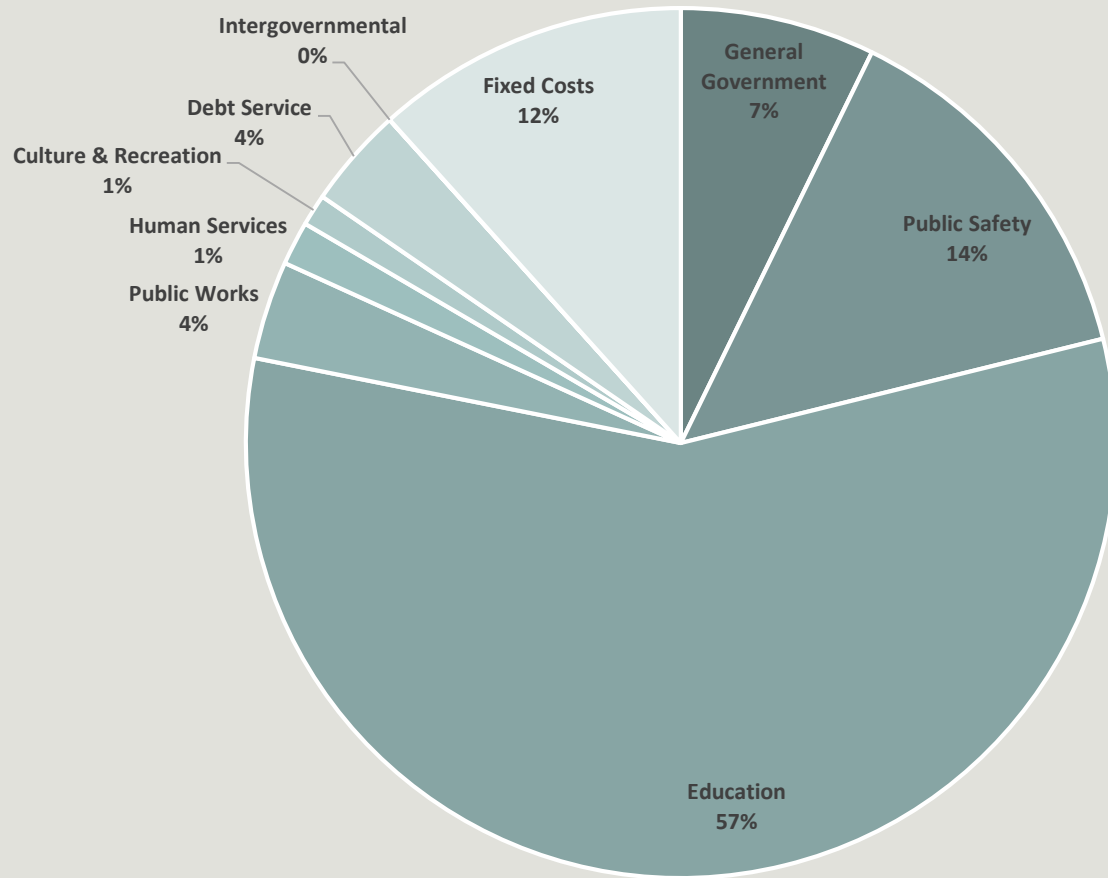
Stabilization Fund balances carry forward from one fiscal year to the next

Interest earned on investment of the balance in this fund remains with the fund

A two-thirds vote of Town Meeting is required to appropriate into or out of the fund, and to amend the purpose of the fund

Current balance in the stabilization fund is **\$2,062,191.00** or 5.6% of the FY25 General Fund Operating Budget

(The percentage does not include enterprise accounts or items to be raised on the Recap Sheet)



FY25 General
Fund
Appropriation -
\$35,872,184.00

Total Operating Expenditures

* Does not include Parks or Transfer Station subsidies or items to be raised on the Recap.

Category	FY25 General Fund Appropriation	FY % Change	% of FY25 Budget
General Government	\$2,594,850.00	(5.84%)	7.2%
Public Safety	\$4,987,954.00	4.23%	13.9%
Education	\$20,446,253.00	5.24%	57.0%
Public Works	\$1,310,414.00	2.57%	3.7%
Human Services	\$581,291.00	3.15%	1.6%
Culture & Recreation	\$421,385.00	2.83%	1.2%
Debt Service	\$1,341,823.00	7.95%	3.7%
Intergovernmental	\$2,443.00	0.12%	0.0%
Fixed Costs	\$4,185,771.00	8.48%	11.7%
Total	\$35,872,184.00	4.51%	100%*

Fixed Costs

Fixed Costs

- Unemployment
- Group Insurance
- Risk Management

Health Insurance

- The Town is a member of the Gateway Health Group (Joint Purchasing Arrangement) consisting of the Town of Carver and Old Rochester Regional High School
- The Health Group is self insured
- The Group is currently facing a **\$1.7M** deficit in claims

Fixed Costs

Health Insurance

- In order to reduce the deficit and a 17% FY25 premium increase, the following measures will hopefully occur:
 - Pay **\$109,182.00**: the **employer** (December premium holiday) costs in FY24
 - Employees will not be required to pay back the premium holiday
 - Favorable claims for the remainder of FY24
 - Introduce Health Reimbursement Accounts (HRA's)
 - Bid/procure Administrative Services Offices (ASO)
 - Initiate Chapter 32B Sections 21-23
 - Reconvene Insurance Advisory Committee (IAC)
 - Reconvene Public Employee Committee (PEC)

Fixed Costs

Health Insurance

- The FY25 health insurance appropriation is fully funded to provide health insurance to employees in the Town's health program
- The FY25 health insurance appropriation is **\$2,208,003.00**, an 8.5% increase over FY24
 - 56 active employees
 - 14 retirees
 - 111 retirees on Medicare supplement plan - Medex
- Recommendation:
 - Procure the services of a Health Care consultant to review claims and seek other health care options for FY26 and beyond

Fixed Costs

Retirement

- Lakeville is a member of the Plymouth County Retirement Association
- FY25 Appropriation **\$1,631,268.00**
- FY24 Appropriation \$1,500,803.00
- An increase of **8.5%** over FY24
 - The retirement appropriation is funded as requested by Plymouth County Retirement Board
 - The retirement appropriation has increased **27.5%** since **FY22**
 - The goal of the County is to have the fund fully funded by June 30, 2028
- Other Post Employment Benefits (**OPEB**)
 - Current balance in the OPEB Trust Account: **\$2,872,700.00**
 - Annual Town Meeting Article **\$310,000.00**

Debt

Projects reflected in debt appropriation of **\$1,341,823.00**:

- State Revolving Fund – Sewer Projects
- Septic Program
- Police Station
- Route 79 e.g. engineering, land takings
- New Ambulance
- Assawampsett Elementary School Window & Door Project (New debt)

Public Safety

Police

- Budget maintains current staffing

Fire

- Budget maintains current staffing
- Operating Budget does not fund 4 firefighters hired with ARPA funding
- Recommendation:
 - Fund 4 firefighters with ARPA funding in FY25
 - Total cost: **\$267,173.00**
 - Pursue a SAFER Grant to fund the 4 firefighters beyond FY25

Education

Freetown Lakeville Regional School District

- FY25 Appropriation **\$17,144,035.00**
 - A reduction of \$387,582.00 from the original request of \$17,531,617.00
 - Will result in no Proposition 2 ½ Override or cuts to services
 - 1,506 Lakeville students

Old Colony Regional Vocational High School

- FY25 Appropriation **\$2,735,738.00**
- 152 Lakeville students
- Planning phase for future renovation of High School /new construction

Education

Bristol County Agricultural School

- FY25 Appropriation **\$449,980.00** (includes transportation)
- 13 Lakeville students

Norfolk County Agriculture School

- FY25 Appropriation **\$110,000.00** (includes tuition and transportation)
- 1 Lakeville student

Enterprise Funds

Enterprise accounts allows for a separate accounting and financial reporting mechanism for municipal services for which a fee is charged

- Parks
- Transfer Station

Retained Earnings stay with the fund and are certified similar to Free Cash

- Balances in Retained Earnings:
 - Parks: **\$28,434.00**
 - Transfer Station: **\$172,633.00**

Capital Planning

The Town's Capital Investment Plan (CIP) is based on using conservative financial estimates and procedures

- Projects/equipment are funded through Free Cash, Capital Stabilization Fund, Overlay Surplus and Retained Earnings
- Capital Stabilization Fund Balance: **\$3,539,251.00**
(Potential funding for partial costs for funding of design, engineering costs etc.. for new Fire Station)

Capital Planning

Capital Items proposed in FY 25

- **Police Department**
 - 3 Police Cruisers
 - 7 Tasers
- **Fire Department**
 - Lease/purchase Ladder truck
 - Design/Construct Fire Station (Borrowing to be determined)
- **Animal Control**
 - Truck replacement

Capital Planning

- **Public Works**
 - Road improvements
 - Riding mower
 - Material removal
 - 1 ton dump truck
 - Pave DPW lot & drainage
 - Radio repeater
 - Roll off truck for transfer station
- **Park**
 - North Fields - Water/Electric hookups

American Rescue Plan Act (ARPA)

• Approved Projects as of 2/29/24

Plymouth County Allocation	\$2,077,295.00
Water project	332,800.00
Ambulance	572,403.00
Old Town Hall Restroom	183,700.00
Gamache Playground	170,000.00
Available Balance:	818,391.00
Revenue replacement	353,700.00

American Rescue Plan Act (ARPA)

- Approved Projects as of 2/29/24

Direct Federal Allocation	\$1,210,073.00
Water Feasibility Study	14,800.00
COVID 19 Testing	100,000.00
Outdoor Stage Cover	20,000.00
TW Tennis Courts	44,785.00
New Fields Project	120,000.00
New Fields Supplement	30,000.00
Firefighter Staffing	172,208.00
Investment Earnings	36,832.00
Available Balance	745,112.00

Questions/Comments

For additional Information on the FY25 Budget contact:

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