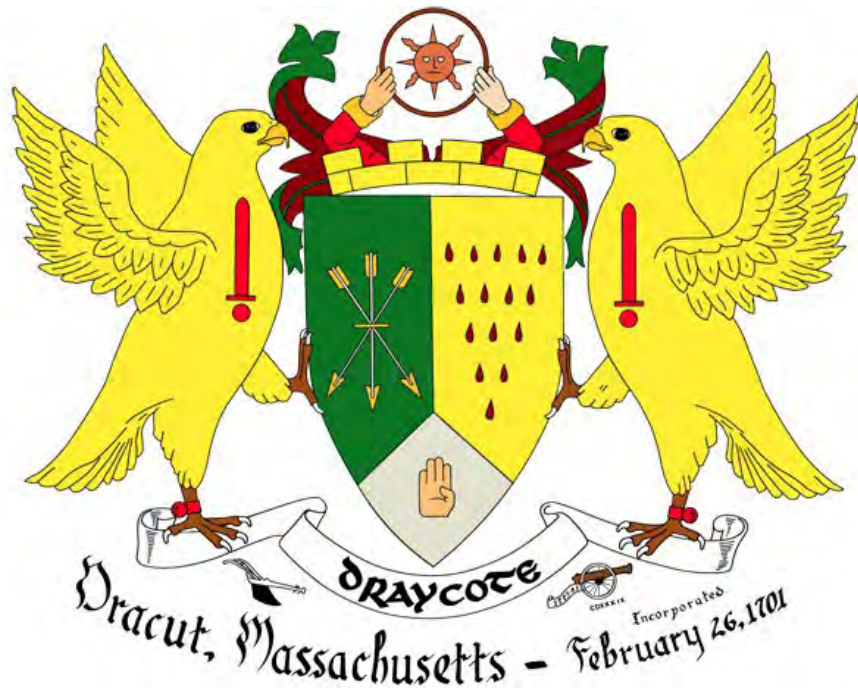


TOWN OF DRACUT



FINANCIAL & BUDGET REPORT

June 7, 2024



Financial and Budget Report

Welcome to the Financial and Budget Report. This report provides a concise overview of our financial performance for the past 10+ fiscal years and will include tables with comparable communities. There will be some statistics that will have more or less than 10 years of data, it is dependent on availability. It highlights significant financial data to assist with future strategic decision making.

The data presented in this report is derived from various state agencies, the Town's financial statements, internal financial systems and various operational reports. We adhere to the Generally Accepted Accounting Principles to ensure accuracy and reliability.

The town will be facing some budgetary challenges over the next three – five years. The challenges are significant and will require difficult decisions on future services, staff levels and commitments to capital projects. We have been able to close the gap for FY25 with \$1.5M in cuts and the use of one-time revenues. For FY26 and beyond the Town is going to need to look at all aspects of its options, which would result in making additional cuts and possibly using one-time revenues again. We have been working on a preliminary budget for FY26 with proposed cuts, but this is not a prudent way to fund operations.

The Town does have a few options to move forward with:

- 100% cuts
- hybrid approach with the use of one-time revenues and budget cuts
- override, amounts and format to be determined
- trash and mattress fees

To date the administration has not been successful with garnering support for any of the above options. It is imperative that a path moving forward with guidance from the Board of Selectmen, School Committee and Finance Committee be implemented. We can't continue to kick the can down the road and rely on one-time revenues. The use of one-time revenues will dry up and our bond rating will be severely impacted resulting in millions of dollars lost in interest charges if/when we need to borrow for the construction of either a renovation or new Campbell School in East Dracut.

This report will serve as a valuable resource during budget discussions. We hope it provides a clear and comprehensive understanding of our financial performance and future outlook.

Thank you

Table of Contents

Executive Summary	3
Dracut's Community Profile	5
Population, Demographics, Employment and School Enrollment	5
Property and Income.....	9
Revenues	14
Property Tax Levy	16
Local Receipts	21
State Aid	30
Reserves & Other Funds/Transfers.....	35
Expenditures	39
General Government.....	42
Public Safety	52
Department of Public Works.....	59
Health and Human Services	65
Culture & Recreation	68
Debt Services.....	75
Schools & Education.....	78
Insurance & Benefits	85
State Assessments.....	90
Capital Expenditures and ARPA Funds	95
Enterprise Funds	101
Sewer Enterprise	101
Water Enterprise	105
Stormwater Enterprise	108
PEG Cable	111
Community Preservation	112
State and Federal Grants.....	115
Stabilization, Revolving and Other Receipts Funds	117



EXECUTIVE SUMMARY – FINANCIAL AND BUDGET REPORT

This Financial and Budget Report prepared by Victor Garofalo, Finance Director/Assistant Town Manager, provides a concise overview of our financial performance for the past 10 fiscal years and will include tables with comparable communities. There will be some statistics that will have more or less than 10 years of data, it is dependent on availability. It highlights significant financial data, budgetary insights, and future outlook to ensure all stakeholders are well-informed of our financial health and operational efficiency.

Population, Demographics, Employment and School Enrollment

This report provides detailed information on population, enrollments, employers, workforce data, road miles, property and income data, assessed values, average tax bills, parcel counts, income, highest taxpayers, and much more.

Revenues

From a budgeting perspective the following categories are included: Property Taxes, Local Receipts, State Aid, Chapter 90, Free Cash, and transfers from other funds. This section will discuss the different revenues the Town of Dracut collects each year to operate the town. Historical actual revenues from FY16 through FY23 will be provided, budgeted amounts will be provided for FY24 and FY25.

Property Tax Levy

In Dracut, property taxes represent approximately 56% of the town's annual operating revenue. Property taxes are levied on real property (land, buildings and homes) and personal property (equipment) used by non-manufacturing businesses. Annual levy increase may not exceed 2 ½ % of the previous year's levy, plus the taxes added from any new or renovated property added to the tax rolls (known as new growth). New growth reflects an increase in the property tax levy resulting from new residential and commercial construction in the community. For FY25, the Town is projecting new growth at \$425,000. Any Proposition 2 ½ override or debt exclusion amounts approved by voters are added to the levy limit. Dracut has historically used all its levy capacity, leaving only an estimated unused levy capacity of \$600 for FY24. For FY2024, Dracut's tax rate was \$10.45 per \$1,000 of assessed value for all property classes.

Local Receipts

Local Receipts represents the amount of local taxes (excluding property taxes) and fees from all departmental operations retained directly by the town. The primary revenue items that

comprise of local receipts are motor vehicle excise, interest income, cannabis excise tax, departmental fees, permits/licenses, and miscellaneous revenue. In FY24, local receipts accounted for approximately 8% of general fund revenues.

State Aid

In FY24, State Aid (Cherry Sheet) accounted for 30% of General Fund Revenues. These funds are from the Commonwealth and amounts are determined by the state budget process. For FY25, the Governor proposed state and projections show an increase of 1.19% from FY24.

Reserves & Other Funds/Transfers

The category includes all transfers from Water and Sewer Enterprise Funds, use of Free Cash, and transfers from other available funds.

Expenditures

The Town's general fund expenditures, excluding Enterprise Funds, are broken down into general government, public safety, department of public works, education/schools, health and human services, culture and recreation, debt service, insurance and benefits and reserves. This section will discuss the Town's expenditures, and look at the historical information, as well as looking at compatible communities. It should be noted that data is not consistent across communities based on how communities organize their departments. For example, some police departments include their dispatch services in their police department, while Dracut uses a regional dispatch center. The Town did reach out to communities for clarification on some of the data, but most of the information was gathered from the databank at the Division of Local Services and Massachusetts Department of Elementary & Secondary Education (DESE).

State Assessments

Chapter 59, Section 21 of the Massachusetts General Laws requires the commissioner of Revenue to provide municipalities with their annual assessments which are shown on the State's Cherry Sheet. State Assessments include Mosquito Control Project, Air Pollution Districts, Registry of Motor Vehicle Non-Renewal Surcharge, Regional Transit, special Education, School Choice Tuition and Charter School Tuition.

Conclusion

The purpose of this report is to provide all stakeholder's the opportunity to get an in-depth look at town finances and will serve as a resource for budget planning.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Dracut's Community Profile

The information in this section will look at Dracut's demographic data to understand the Town's budget history, how service demands have evolved, and the broader context for the current situation.

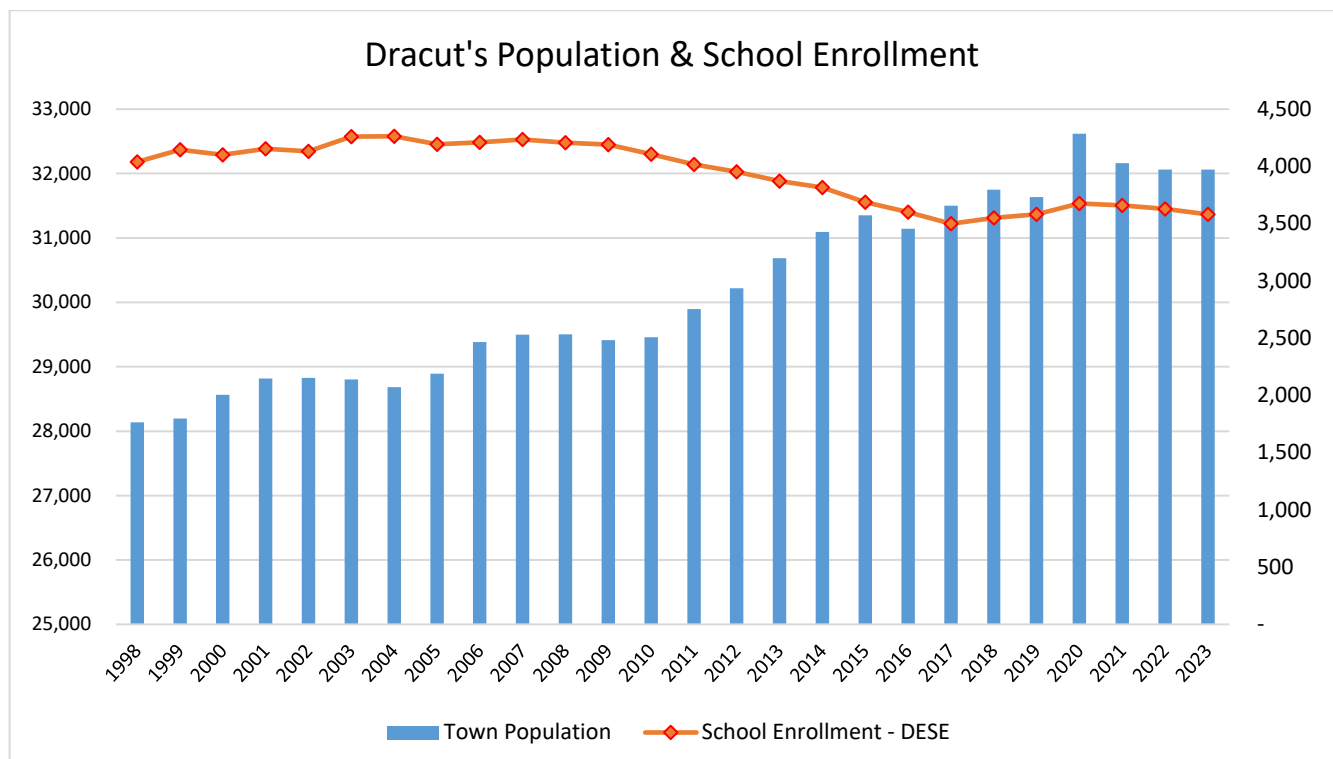
Data Sources

Data was mostly sourced from the Massachusetts Division of Local Services (DLS) data bank which collects from all municipalities on demographics, debt, expenses, revenue, taxes, reserves, and property values. (<https://www.mass.gov/collections/DLS-databank-reports>).

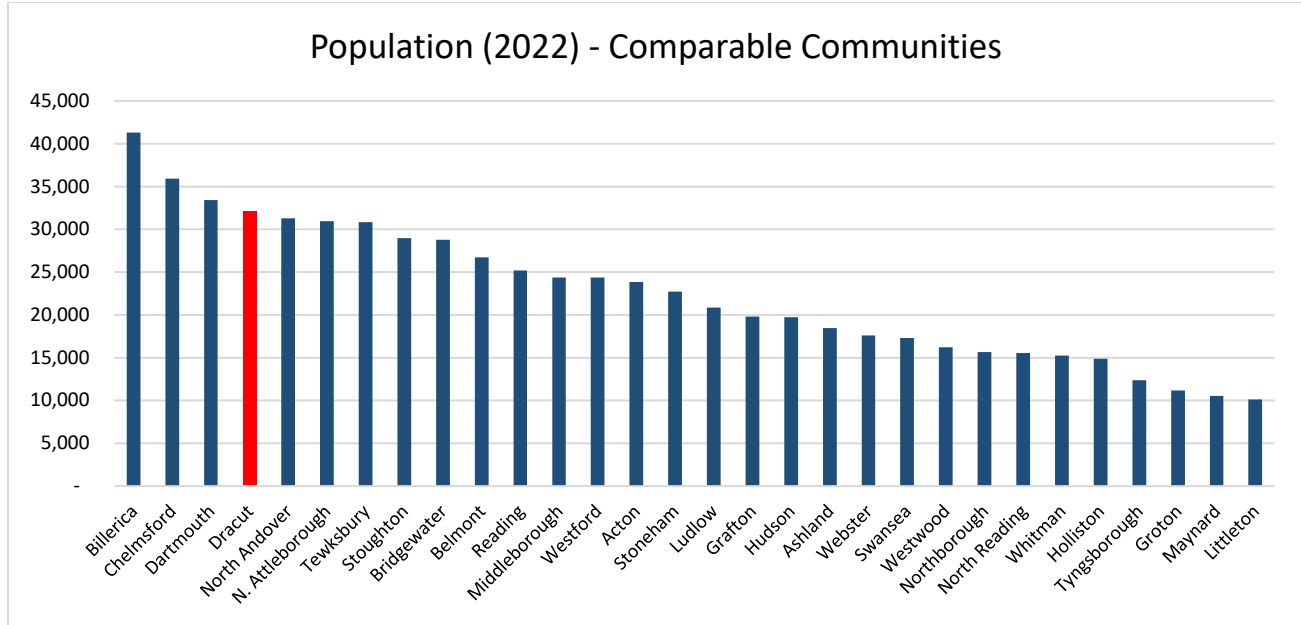
School enrollment, Net School Spending and other data is from Massachusetts Department of Education (DESE) (<https://profiles.doe.mass.edu/statereport/enrollmentbygrade.aspx>).

Population, Demographics, Employment and School Enrollment

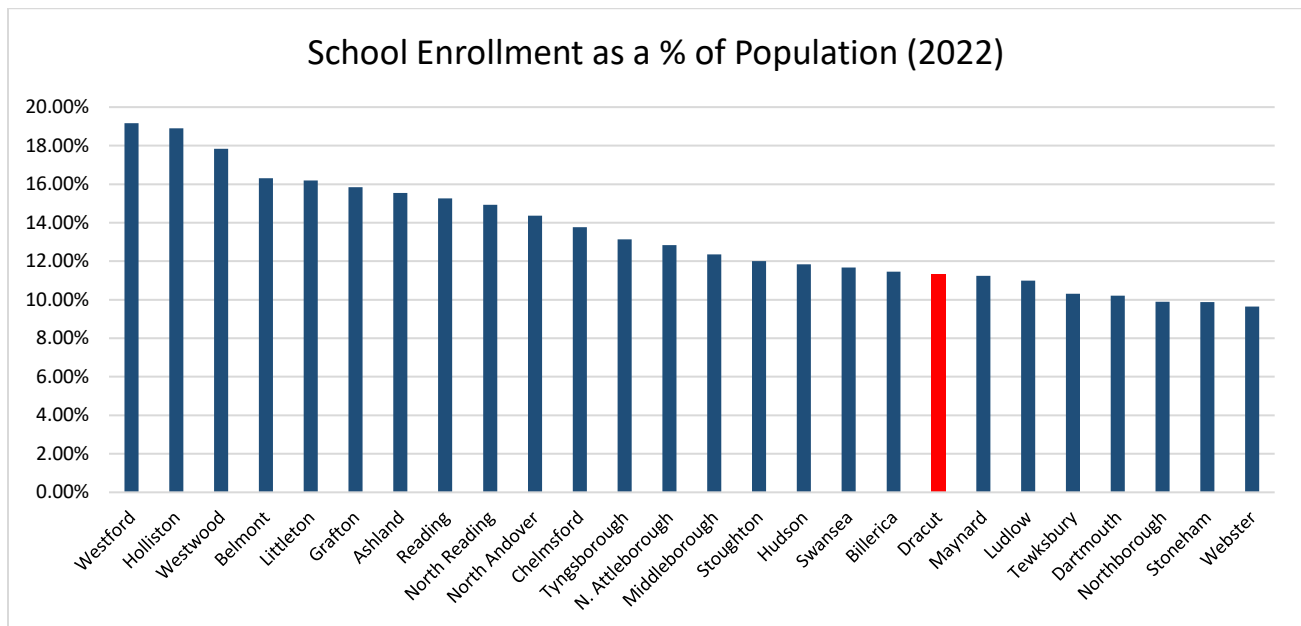
Dracut's current population is 32,060, and has increased 12% since 2000, but has levelled off over the most recent years, while school enrollment has shown a slight decrease. Out of 351 communities in Massachusetts, Dracut is 54th in population, of which 38 out of the 54 of these communities are Cities.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



In comparing Dracut's demographics to other comparable communities, Dracut school enrollment in the Dracut School System is 11.32% of its population, which compared to other communities is on the lower end. This data set uses each district's enrollment reported to DESE in 2022 as a portion of the Town census population as reported by DLS for 2022. The Town of Acton, Bridgewater, Groton, and Whitman are regional school districts, and are not shown in the graph below.

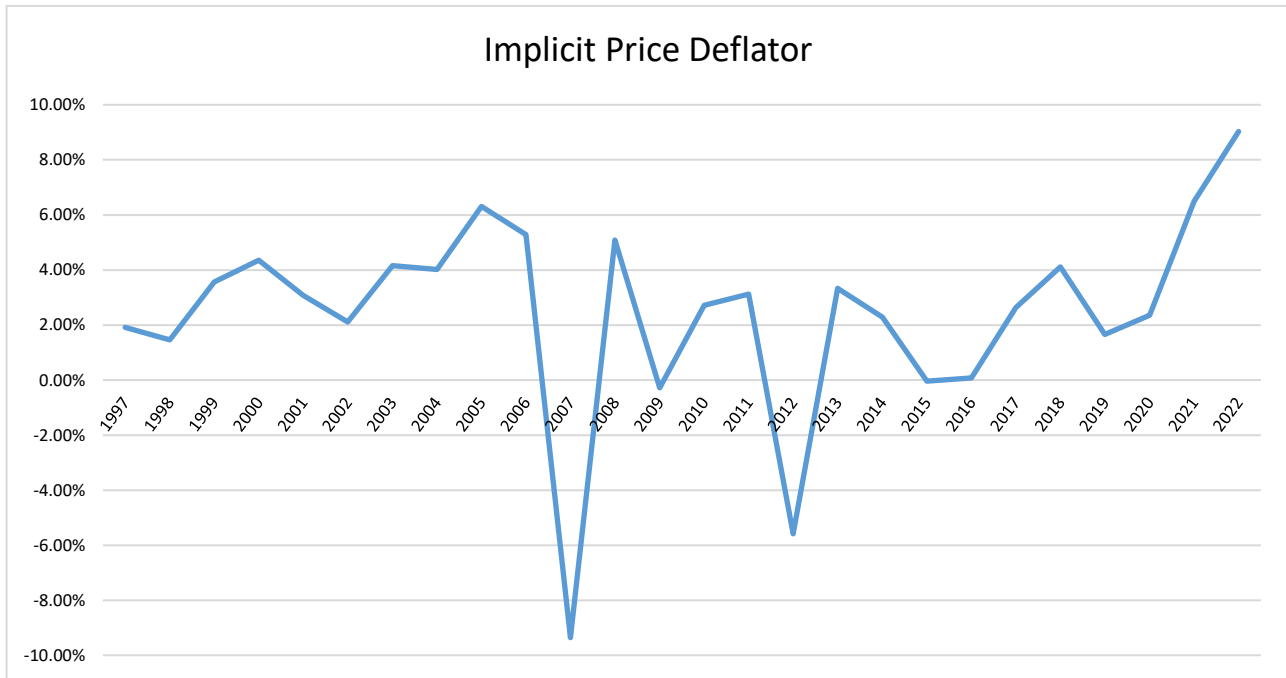


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

The table below sets forth the largest employers located in the Town of Dracut, excluding the Town itself, as reported in the most recent annual report filed in March 2024.

Name of Employer	Nature of Business	No. of Employees
GeorgeBrox, Inc.	Contractor/Construction	180
Verizon New England, Inc.	Communications	160
Hannaford	Supermarket	150
Old Dominion	Trucking	120
Dakota	Manufacturer	110
Majilite	Manufacturer	110
Dow Company	Contractor/Construction	95
ADEP	Construction	95
Dunkin Donuts	Franchise Restaurant	90
The Arbors	Assisted Living	82

The chart below measures inflation on goods and services (US Bureau of Labor Statistics). For 2021 it was 6.50% and 2022 it was 9.03%.

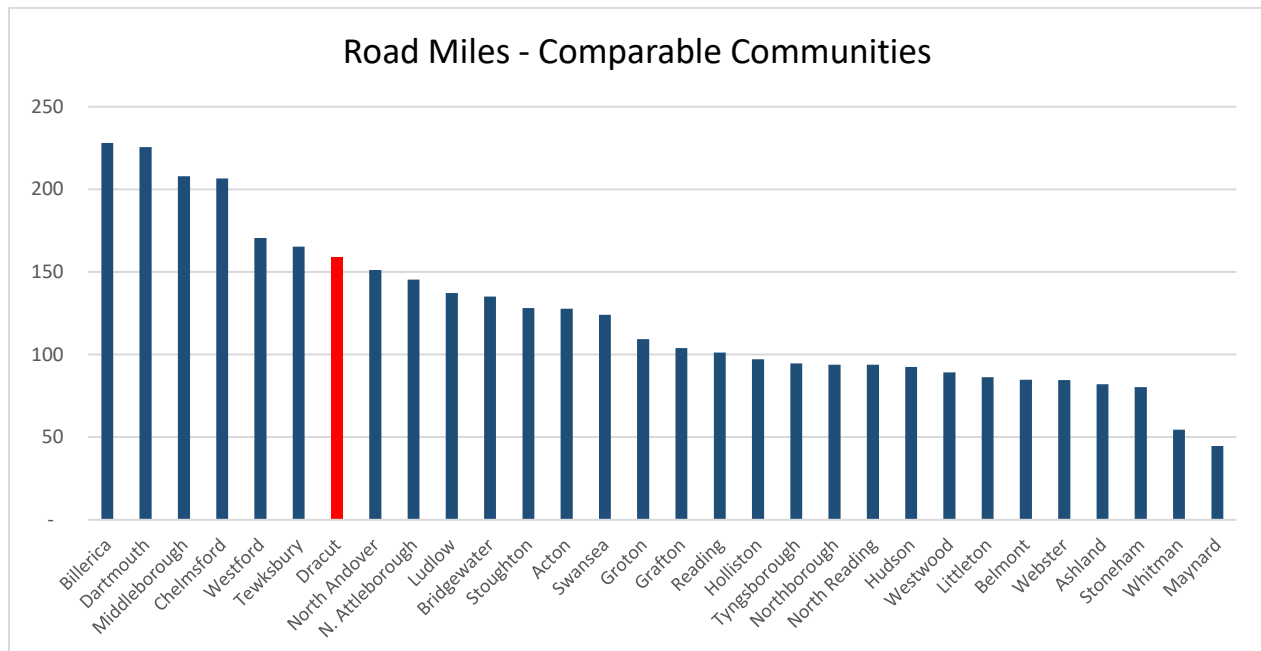


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

According to the Massachusetts Department of Employment and Training data in October 2023, the Town had a total labor force of 18,073, of which 17,626 were employed and 447 or 2.5% were unemployed as compared to 2.6% for the Commonwealth. The following table sets forth the Town's average labor force and unemployment rates for calendar years 2018 through 2023 and the unemployment rates for the Commonwealth of Massachusetts and the United States for the same period.

Year	Labor Force	Unemployment Rate	Massachusetts Unemployment Rate	United States Unemployment Rates
2023	18,073	2.50%	2.60%	
2022	18,199	3.50%	3.80%	3.60%
2021	18,402	5.50%	5.70%	5.40%
2020	18,040	8.50%	8.00%	8.10%
2019	18,761	2.80%	2.90%	3.70%
2018	18,650	3.30%	3.30%	3.90%

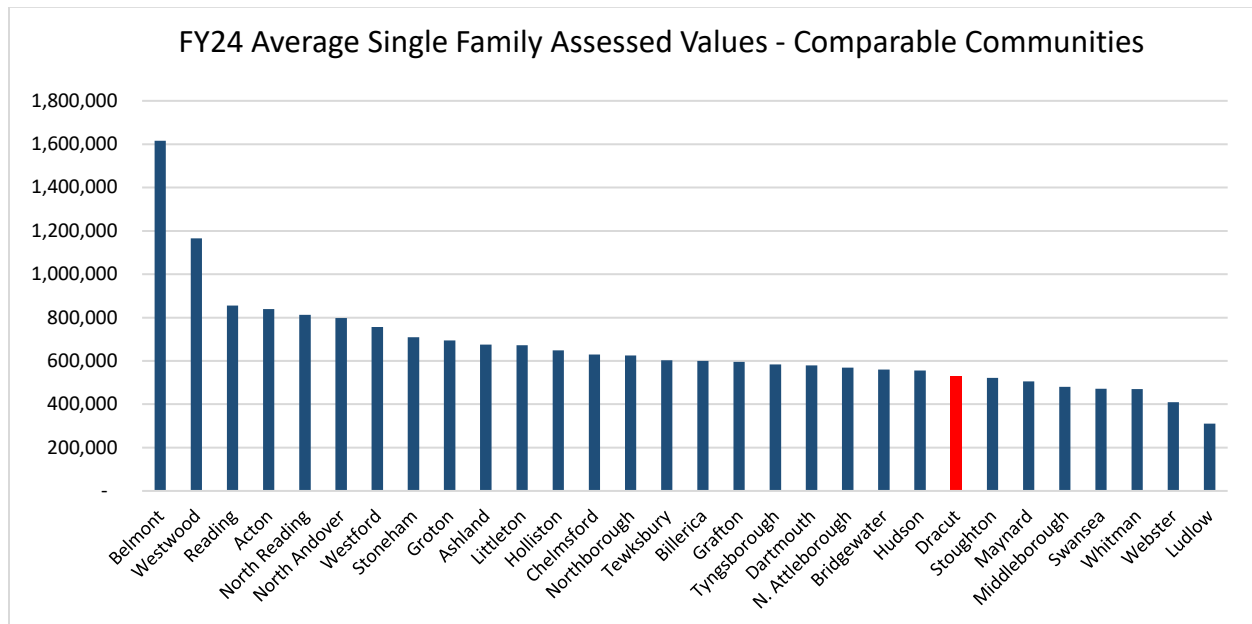
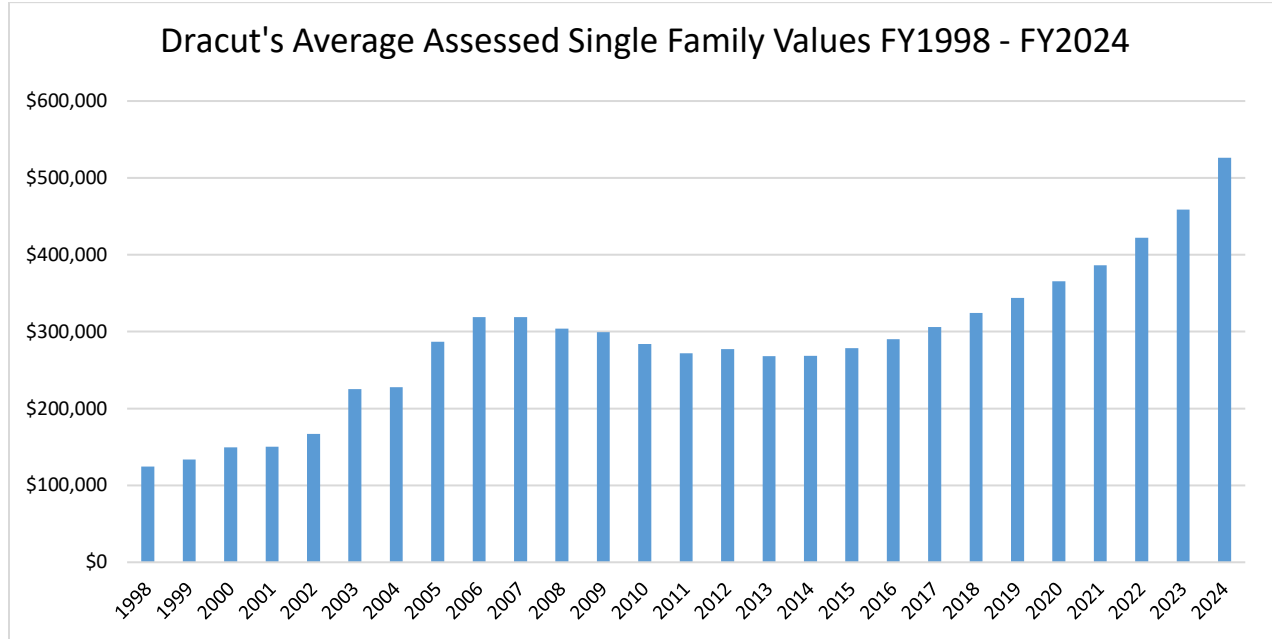
Dracut has 160 miles of roads, and the table below sets forth the total road miles compared to other comparable communities.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

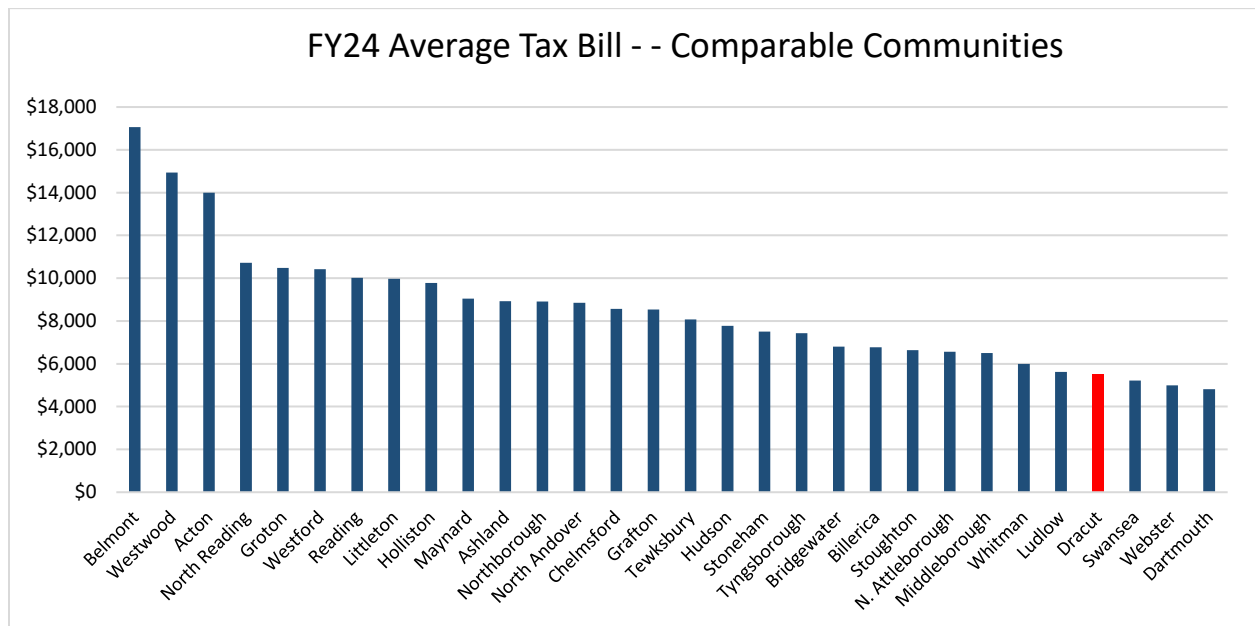
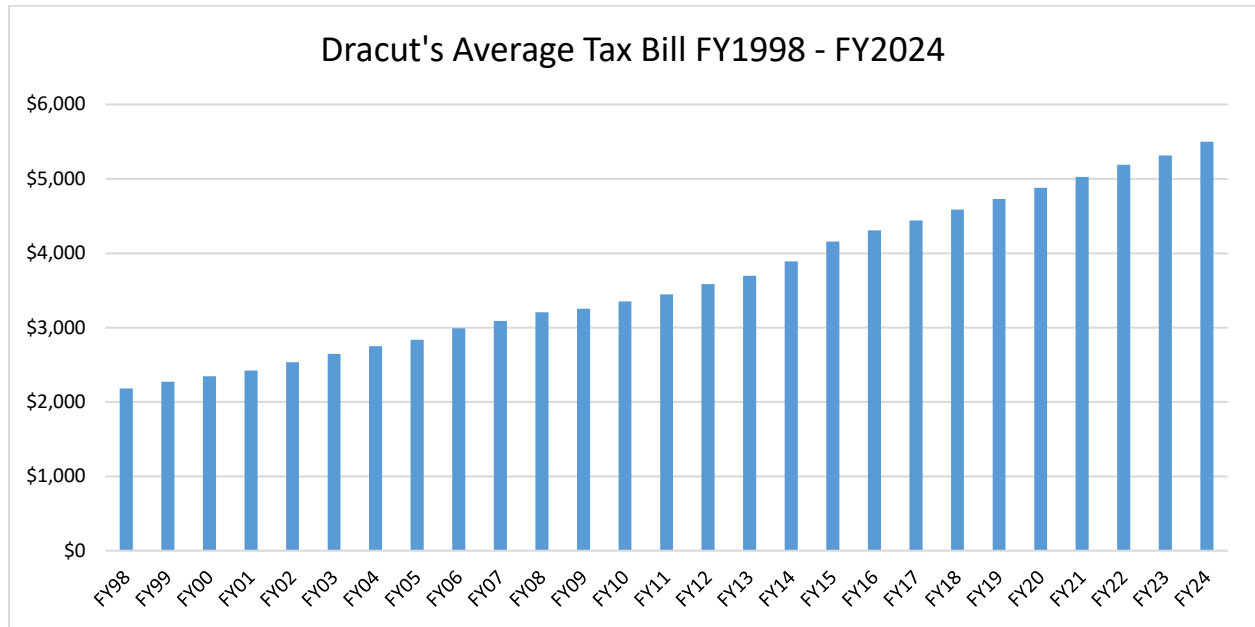
Property and Income

Dracut's single family home values have risen in the last 20 years. Since 2018, single family assessed values have increased 62%. Dracut is close to the lower of the range of the Town's comparable communities in average assessed home values and tax rate. For FY24, the average single home value in Dracut was \$526,154. The state average single family value home is \$665,327.



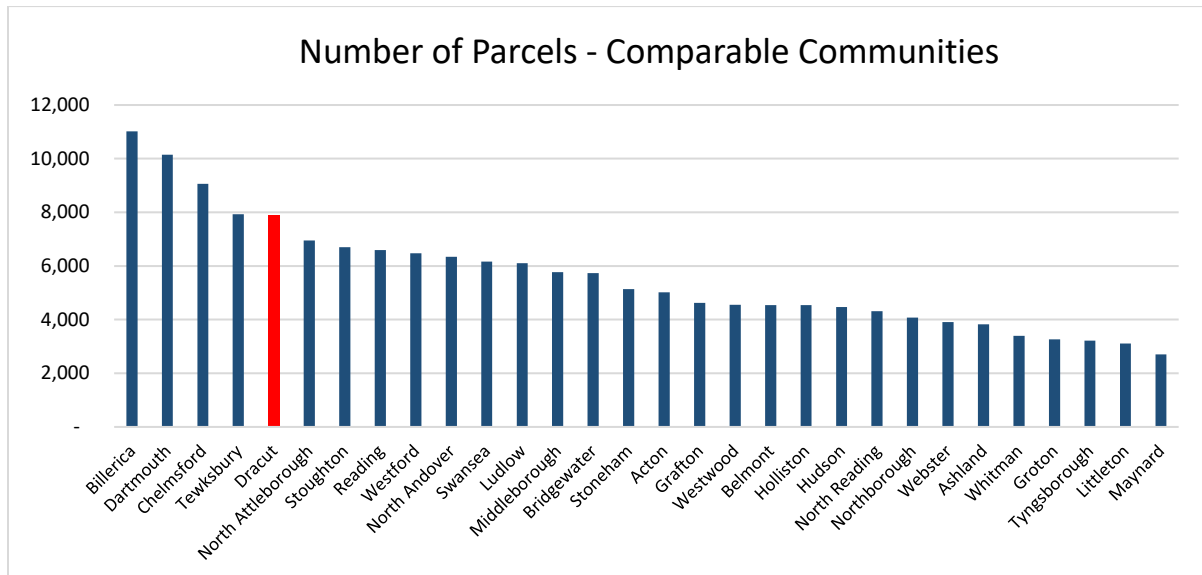
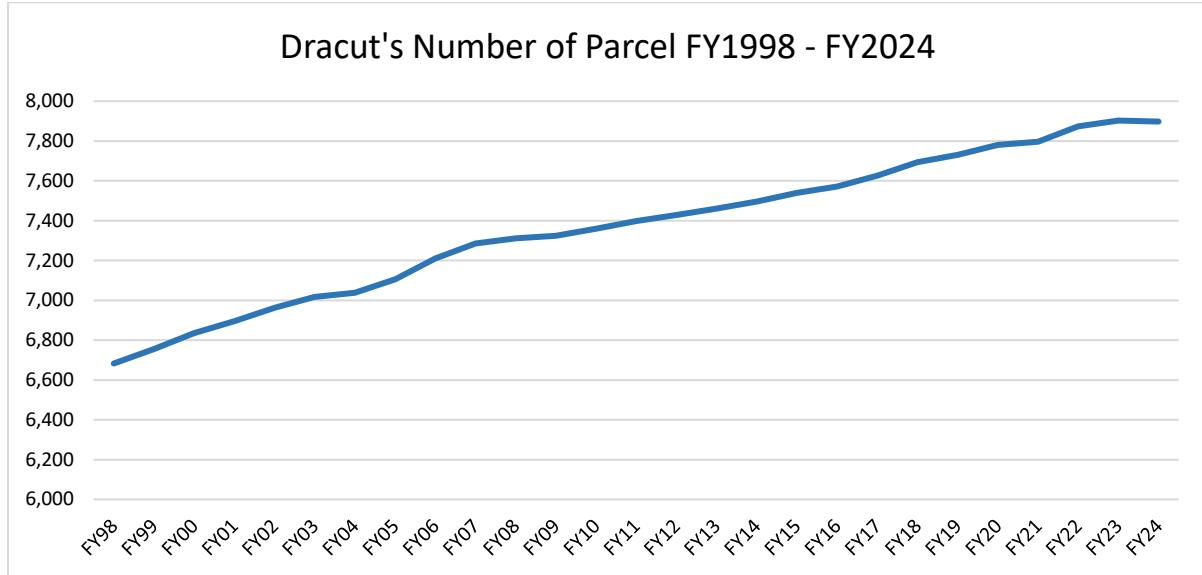
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

For FY24, Dracut's Average Tax Bill was \$5,498, compared to the range of \$4,822 - \$17,057 from other comparable communities. The State average single family tax bill for FY24 is \$7,401.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

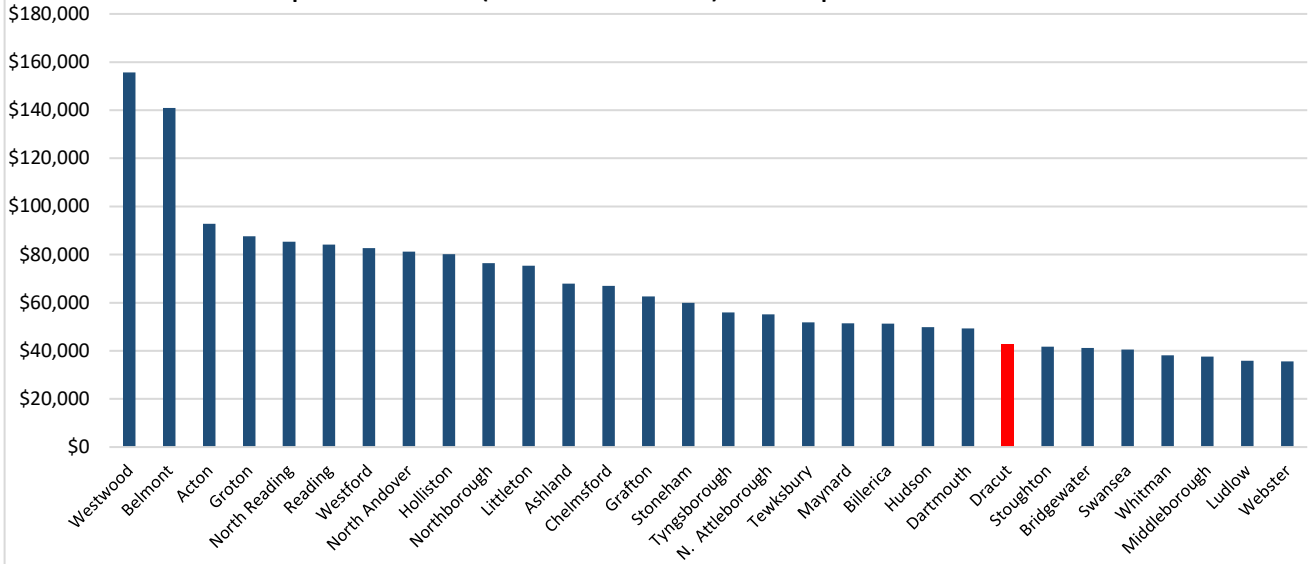
Dracut's has 7,898 parcels, and that number has increased 16% since 2000.



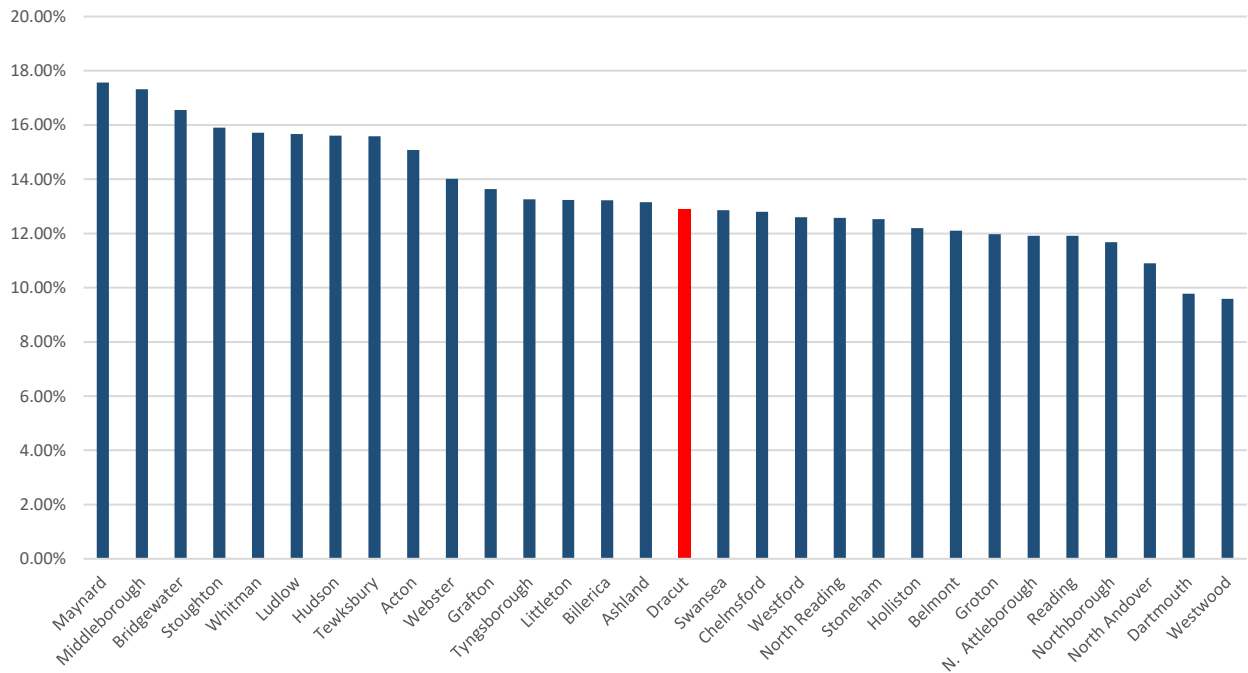
Dracut's Per Capita Income for 2024 is \$42,616, versus the state per capita of \$48,617. The per capita income for Dracut as a % of its Tax Bill is 12.9%, which is slightly better than its comparable communities, which the average is 13.46%.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Per Capita Income (DOR Databank) - Comparable Communities



Average Tax Bill as a % of Per Capita Income - Comparable Communities



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

The following table lists the ten largest taxpayers in the Town based upon assessed valuations for fiscal year 2024.

Name	Business	Assessed Valuation	% Total Assessed Value	FY2024 Taxes Paid
Massachusetts Electric, Co.	Utility	\$ 32,854,590	0.58%	\$ 343,330
Colonial Gas	Real Estate	\$ 27,253,190	0.48%	\$ 284,796
Corcoran Skyline, LLC	Real Estate	\$ 25,691,600	0.46%	\$ 268,477
New England Power, Co.	Utility	\$ 19,368,030	0.34%	\$ 202,396
Princeton Dracut, LLC	Real Estate	\$ 16,633,800	0.30%	\$ 173,823
Robbins Avenue LLC	Real Estate	\$ 13,835,300	0.25%	\$ 144,579
Beaver Brook Holdings LLC	Real Estate	\$ 11,093,900	0.20%	\$ 115,931
Grassfield Commons	Real Estate	\$ 11,443,200	0.20%	\$ 119,581
Antonio Katsikas	Real Estate	\$ 11,017,100	0.20%	\$ 115,129
Dracut Real Estate	Real Estate	\$ 10,836,900	0.19%	\$ 113,246
Brox Industries	Real Estate	\$ 10,758,400	0.19%	\$ 112,425

Commercial/Industrial Data

The Town of Dracut's commercial/industrial value for FY24 was \$309,319,962. If the Town were to increase its commercial/industrial base to generate new growth, it would have to generate an additional \$300,000,000, which would bring in approximately \$3.2M in Tax Revenue. To put this in perspective, the following properties below illustrate the type of developments that would be needed to generate this type of new growth. The values are based on the FY24 Assessed Values.

Property	Location	Type	Value	Est. Taxes (Dracut)
Drum Hill Associates	Chelmsford	Walmart - Retail	\$ 27,279,000	\$ 285,066
Zoll Medical Corp	Chelmsford	Medical	\$ 29,283,800	\$ 306,016
Market Basket	Lowell	Retail	\$ 13,367,000	\$ 139,685
Atrius MSO	Chelmsford	Harvard - Health	\$ 10,902,800	\$ 113,934
Great Road Shopping Center	Bedford	Stop & Shop - Retail	\$ 39,635,400	\$ 414,190
Millipore Corp	Bedford	Office	\$ 36,711,800	\$ 383,638
Crosby Drive Properties	Bedford	Office/Manufacturing	\$ 34,235,600	\$ 357,762
Millipore Corp	Burlington	Manufacturing	\$ 70,654,700	\$ 738,342
Keurig Green	Burlington	Office	\$ 74,624,000	\$ 779,821
Total			<u>\$ 336,694,100</u>	<u>\$ 3,518,453</u>

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

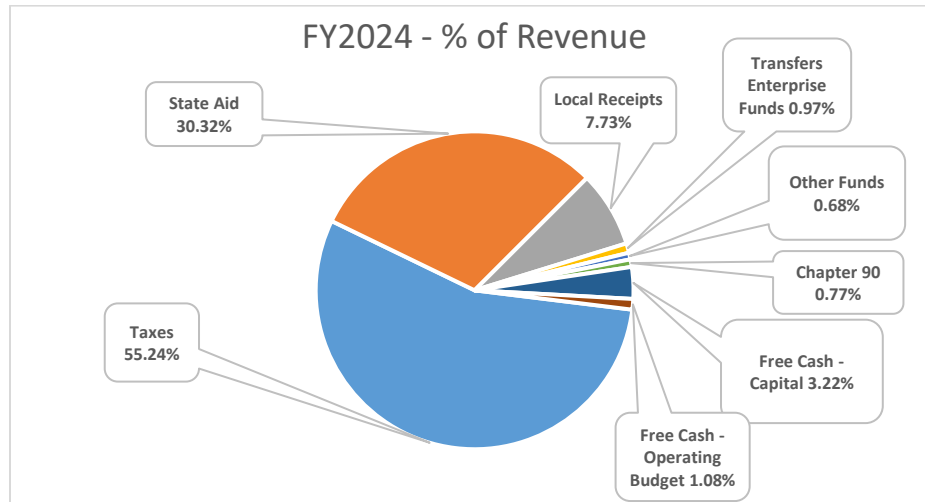
Revenues

The Town's general fund revenues, excluding Enterprise Funds, are broken down into six categories: Property Taxes, Local Receipts, State Aid, Chapter 90, Free Cash, and transfers from other funds. This section will discuss the different revenues that the Town of Dracut collects each year to operate the town. The below chart shows the actual historical information for FY16 – FY23, and revenues budgeted for FY24 and FY25.

Revenues	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Base Tax Levy	\$40,389,103	\$41,916,775	\$43,644,368	\$45,512,281	\$47,461,299	\$49,198,678	\$50,832,350	\$52,482,060	\$54,327,962	\$56,041,792
Prop 2 1/2	1,009,728	1,047,919	1,091,109	1,137,807	1,186,532	1,229,967	1,270,809	1,312,052	1,358,199	1,401,045
New Growth	517,944	679,674	776,804	811,211	550,847	403,705	378,901	533,850	355,631	425,000
Debt Exclusion	2,964,846	2,875,060	2,865,190	2,933,242	2,941,128	2,917,226	3,086,636	2,892,042	2,780,080	2,408,567
Total Tax Levy to Raise	44,881,621	46,519,428	48,377,471	50,394,541	52,139,806	53,749,576	55,568,696	57,220,004	58,821,872	60,276,404
State Aid	23,365,061	23,584,504	23,913,641	23,830,894	24,011,495	24,800,675	26,265,937	29,779,850	32,288,742	32,681,523
Local Receipts	7,070,717	7,243,545	7,670,056	8,057,339	7,179,273	8,230,008	10,709,738	10,536,063	8,230,000	8,476,800
Transfers Enterprise Funds	349,045	221,000	183,509	183,509	183,509	250,000	295,000	724,000	1,031,000	1,031,000
Other Funds	674,122	603,489	674,122	355,280	705,280	469,988	1,413,089	688,281	720,756	605,226
Chapter 90	804,584	805,653	555,210	1,165,044	798,082	789,871	787,700	815,467	818,362	818,362
Free Cash - Capital/Stabilization	223,840	1,050,000	557,793	697,500	1,331,108	2,625,400	2,196,837	4,147,625	3,434,000	0
Free Cash - Operating Budget	240,000	0	905,000	410,036	285,000	224,722	230,000	1,025,000	1,145,000	2,205,000
Total Revenues	\$77,608,990	\$80,027,619	\$82,836,802	\$85,094,143	\$86,633,553	\$91,140,240	\$97,466,997	\$104,936,290	\$106,489,732	\$106,094,315
% of Increase		3.12%	3.51%	2.73%	1.81%	5.20%	6.94%	7.66%	1.48%	-0.37%
Total Raised/Revenue	\$77,606,962	\$80,025,590	\$82,809,434	\$84,820,951	\$86,471,638	\$91,105,798	\$97,422,448	\$104,928,862	\$106,489,132	\$106,094,315
Unused Levy	\$2,028	\$2,029	\$27,368	\$273,192	\$161,915	\$34,442	\$44,549	\$7,428	\$600	\$0

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

The chart below shows the breakdown of revenue by each of the major revenue categories for the Town. Taxes make up 55.24%, while State Aid makes up 30.32% and Local Receipts 7.73%.



In the chart below it shows Dracut's % of revenue from its Tax Levy, State Aid, Local Receipts, and all other sources as compared to its comparable communities. Dracut compared to these communities relies heavily on state aid, and less on a percentage raised from Property Taxes.

FY23 % of Revenue – Comparable Communities

Municipality	Tax Levy	State Aid	Local Receipts	All Other
Acton	91.4%	2.5%	4.9%	1.2%
Ashland	72.5%	16.2%	6.0%	5.3%
Belmont	79.3%	8.8%	5.9%	6.0%
Billerica	74.4%	14.2%	6.9%	4.6%
Bridgewater	69.8%	6.3%	6.9%	17.1%
Chelmsford	76.3%	12.4%	7.0%	4.4%
Dartmouth	67.3%	15.5%	8.7%	8.6%
Dracut	56.6%	29.1%	7.8%	6.6%
Grafton	69.0%	19.8%	6.3%	4.9%
Groton	80.7%	2.2%	9.9%	7.2%
Holliston	70.4%	14.5%	4.7%	10.4%
Hudson	61.9%	17.5%	15.9%	4.8%
Littleton	68.1%	8.6%	5.3%	18.1%
Ludlow	61.1%	22.9%	10.8%	5.2%
Maynard	72.1%	17.2%	5.9%	4.8%

Municipality	Tax Levy	State Aid	Local Receipts	All Other
Middleborough	56.3%	25.0%	7.4%	11.3%
North Andover	74.3%	11.1%	8.9%	5.6%
N. Attleborough	61.4%	22.7%	6.0%	9.9%
North Reading	71.6%	11.9%	6.8%	9.6%
Northborough	80.8%	8.1%	5.9%	5.3%
Reading	72.2%	12.9%	8.9%	6.1%
Stoneham	76.1%	14.0%	8.0%	1.9%
Stoughton	64.5%	20.8%	9.1%	5.7%
Swansea	53.7%	17.6%	3.3%	25.4%
Tewksbury	74.5%	12.6%	6.0%	6.9%
Tyngsborough	65.3%	19.5%	10.2%	4.9%
Webster	50.3%	35.7%	7.3%	6.7%
Westford	74.0%	16.9%	6.7%	2.4%
Westwood	83.6%	7.7%	3.9%	4.8%
Whitman	71.7%	7.7%	12.3%	8.3%

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Property Tax Levy

In Dracut, property taxes represent approximately 56% of the Town's annual operating revenue. Property taxes are levied on real property (land, buildings and homes) and personal property (equipment) used by nonmanufacturing businesses. Annual levy increases may not exceed 2½% of the previous year's levy, plus the taxes added from any new or renovated property added to the tax rolls (known as new growth). New growth reflects an increase in the property tax levy resulting from new residential and commercial construction in the community. For FY25, the Town is projecting new growth at \$425,000. Any Proposition 2½ override or debt exclusion amounts approved by voters are added to the levy limit. Dracut has historically used all its levy capacity, leaving only an estimated unused levy capacity of \$600 for FY24. In FY24, Dracut's tax rate was \$10.45 per \$1,000 of assessed value for all property classes.

Dracut's Property Tax Levy FY22 – FY28 (Estimate)

Property Tax Levy	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Budget	FY26 Estimate	FY27 Estimate	FY28 Estimate
Base Tax Levy	\$50,832,350	\$52,482,060	\$54,327,962	\$56,041,792	\$57,867,837	\$59,764,533	\$61,708,646
Prop 2 1/2	1,270,809	1,312,052	1,358,199	1,401,045	1,446,696	1,494,113	1,542,716
New Growth	378,901	533,850	355,631	425,000	450,000	450,000	450,000
Debt Exclusion	3,086,636	2,892,042	2,780,080	2,408,567	2,144,025	1,922,246	1,854,407
Maximum Tax Levy	\$55,568,696	\$57,220,004	\$58,821,872	\$60,276,404	\$61,908,558	\$63,630,892	\$65,555,770
Tax Levy to raise	\$55,524,148	\$57,212,576	\$58,821,273	\$60,276,404	\$61,908,558	\$63,630,892	\$65,555,770
Unused Tax Levy	\$44,548	\$7,428	\$599	\$0	\$0	\$0	\$0
% of Increase		3.52%	3.15%	3.26%	3.28%	3.25%	3.23%

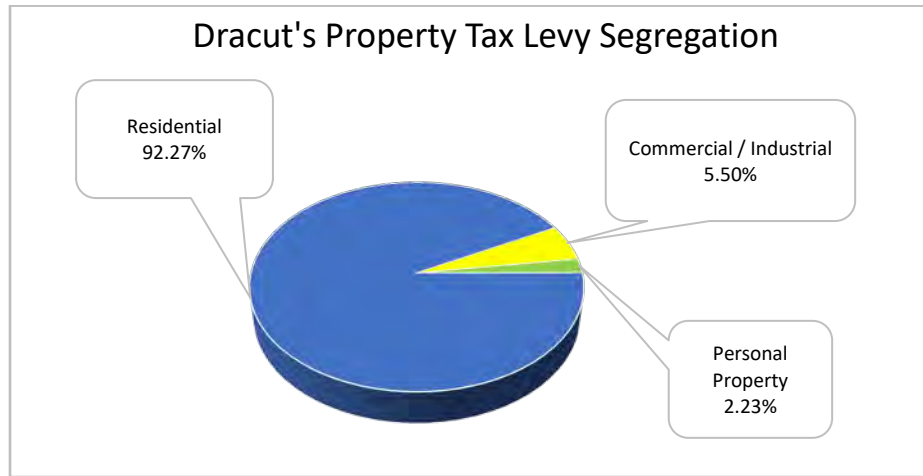
Note: % of increase does not include Debt Exclusion

Dracut's Property Tax Levy by Class FY22 – FY28 (Estimate)

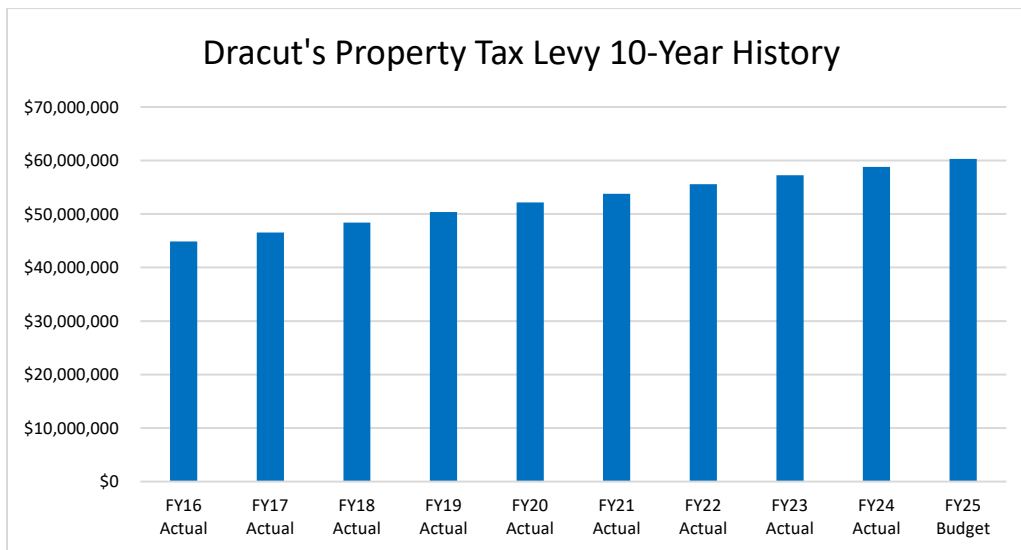
Property Tax Levy	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Budget	FY26 Estimate	FY27 Estimate	FY28 Estimate
Residential	\$50,969,246	\$52,557,299	\$54,278,386	\$55,617,038	\$57,123,026	\$58,712,224	\$60,488,309
Commercial / Industrial	3,192,376	3,283,246	3,232,394	3,315,202	3,404,971	3,499,699	3,605,567
Personal Property	1,362,526	1,372,031	1,310,493	1,344,164	1,380,561	1,418,969	1,461,894
Total Property Tax Levy	\$55,524,148	\$57,212,576	\$58,821,273	\$60,276,404	\$61,908,558	\$63,630,892	\$65,555,770

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Dracut derives 92.7% of its tax revenue from Residential taxes, while 7.3% comes from Commercial/Industrial and Personal Property taxes.

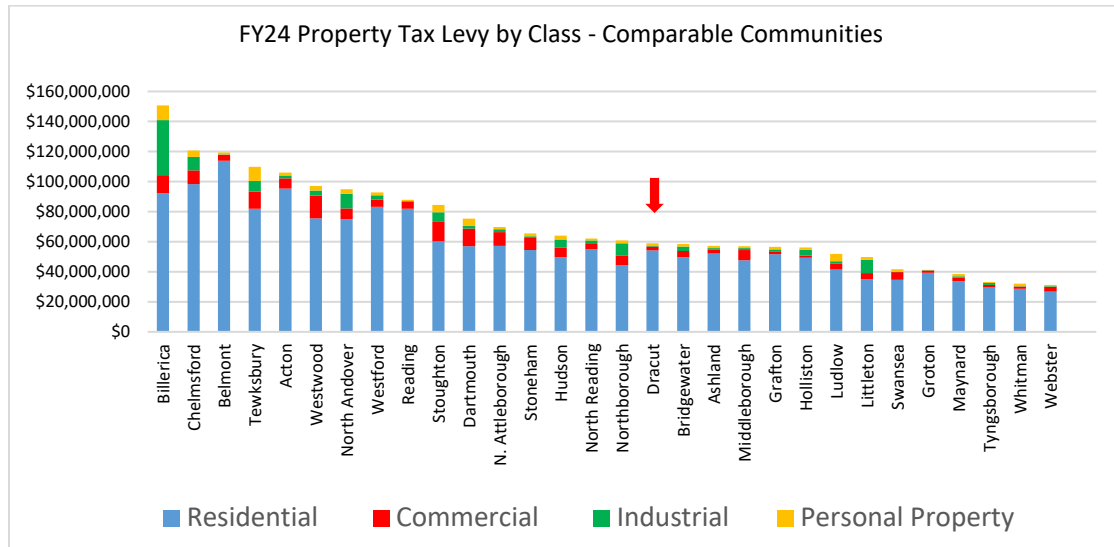


Proposition 2 ½ - Levy Limit and Levy Ceiling - Proposition 2 ½ refers to a Massachusetts law enacted in 1980 that places strict limits on the amount of property tax revenue a community can raise through real and personal property taxes. Under Proposition 2 ½, the annual levy limit increase for property taxes cannot exceed 2.5% from year to year. The Town also cannot raise more than 2.5% of the total full and fair cash value of all taxable real and personal property in town. This is referred to as the levy ceiling.

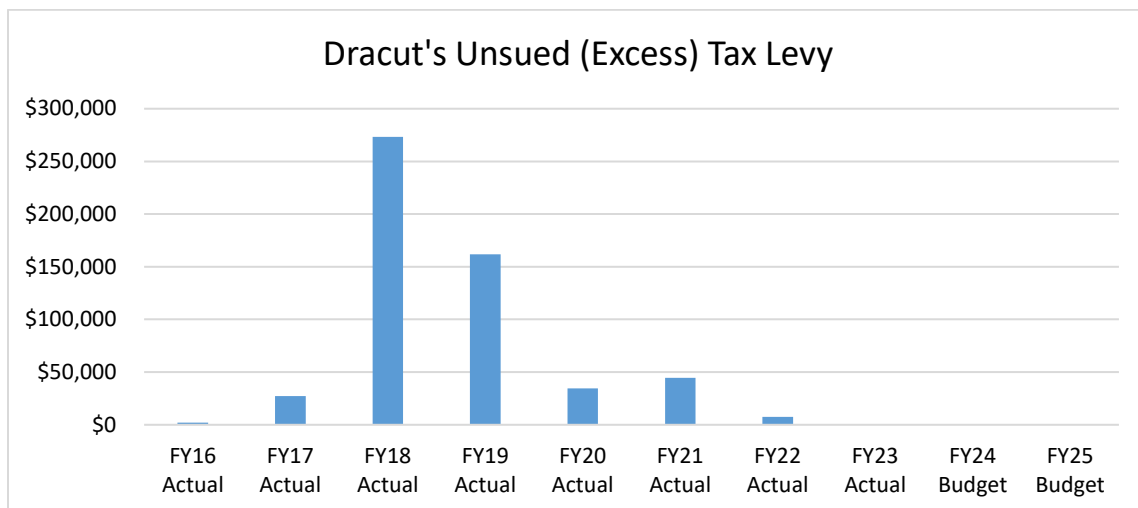


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

The chart below shows the % of Tax Levy by property class; Residential, Commercial/Industrial and Personal Property in comparison to other communities. In comparing Dracut to other comparable communities, Dracut's % of taxes raised from Residential is on the high end, and on the low end for Commercial/Industrial.



Excess (Unused) Levy - Excess levy capacity is a potential municipal reserve that arises out of the operation of Proposition 2 1/2. It is the difference between the maximum tax revenue a municipality is permitted to raise under Proposition 2 1/2 rules (levy limit) and the tax revenue actually raised (levy). The last four years, the Town of Dracut's unused tax levy has been between \$0 - \$45,000.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

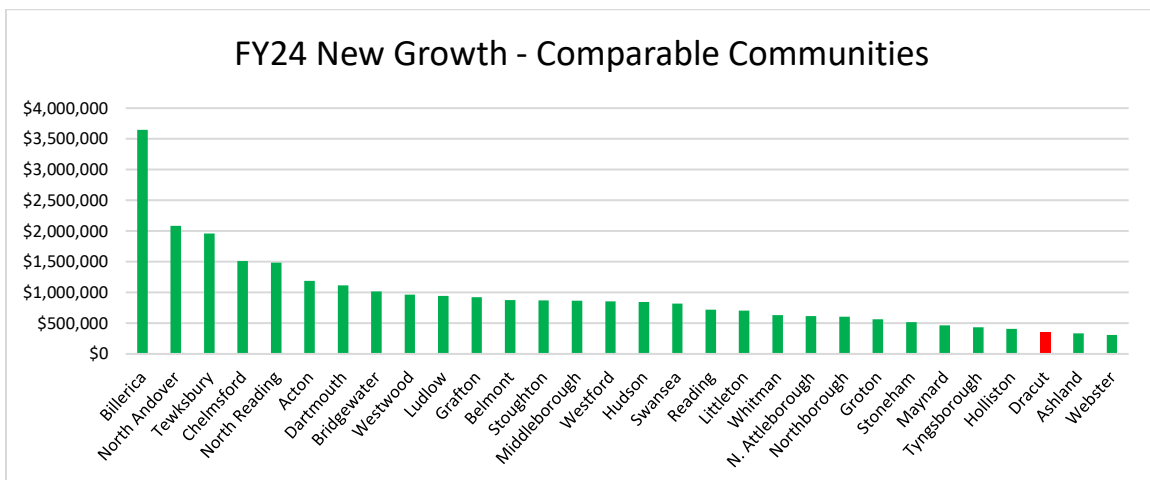
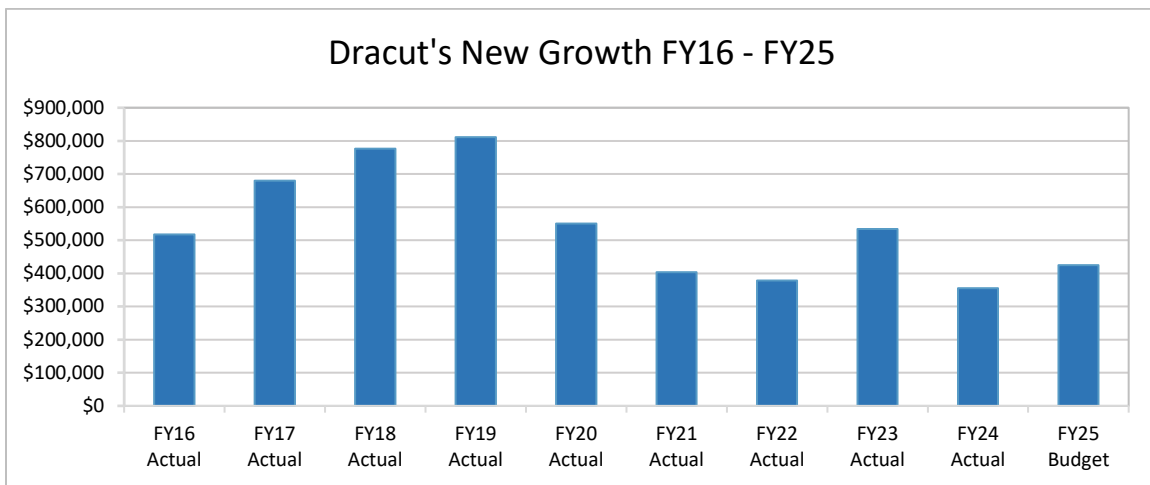
Unused (Excess) Tax Levy FY23 – Comparable Communities

Municipality	Unused Levy
Billerica	\$ 26,566,422
Northborough	\$ 4,790,839
Swansea	\$ 2,016,771
Hudson	\$ 1,420,048
Grafton	\$ 1,021,585
Westwood	\$ 795,575
Holliston	\$ 780,512
Chelmsford	\$ 778,679
North Andover	\$ 703,894
Whitman	\$ 278,176

Municipality	Unused Levy
Ludlow	\$ 204,751
Maynard	\$ 141,347
Acton	\$ 136,337
Stoneham	\$ 133,444
Stoughton	\$ 89,903
Belmont	\$ 84,219
North Attleborough	\$ 43,544
Ashland	\$ 28,873
Tyngsborough	\$ 20,154
Dartmouth	\$ 18,375

Municipality	Unused Levy
Webster	\$ 12,619
Littleton	\$ 11,202
Middleborough	\$ 11,088
Tewksbury	\$ 7,732
Dracut	\$ 7,428
Groton	\$ 6,980
North Reading	\$ 6,461
Westford	\$ 5,049
Reading	\$ 4,674
Bridgewater	\$ 4,440

New Growth – New growth is permanently added to the tax levy resulting in recurring revenue that the town relies on to balance the budget year to year. New Growth is certified by the Department of Revenue as part of the valuation certification in the Fall. Dracut's new growth for the last five years has averaged about \$445,000.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Overrides - An override would increase the Town's tax levy limit and become part of the tax base for calculating future years' tax levy limits. The result is a permanent increase in property taxes. An override requires a majority vote at Town Meeting and a majority election ballot vote. Per Massachusetts law, a majority vote of the Board of Selectmen is required to place an override on an election ballot.

A Debt Exclusion is similar to a property tax override, but the difference is a debt exclusion is a temporary tax increase that affects all property owners in town. The word "exclusion" means that the additional tax is excluded from the limits of Proposition 2 ½. Debt exclusions are considered to pay for larger capital projects that the annual debt service costs are too large to absorb within the annual operating budget. In Dracut some of these projects include the High School, Police Station, Library and Fire Station. The additional tax is added onto the levy limit and assessed across all the real and personal property in town. Although debt exclusions are temporary tax increases, many projects are bonded over a 20-year period, so residents are paying for the project over a long period of time. A debt exclusion requires a two-thirds vote at Town Meeting and a majority election ballot vote. Per Massachusetts law, a two-thirds vote of the Select Board is required to place an exclusion question on an election ballot. Debt Exclusions are not included in the base for the next year, which is what proportion 2 ½ is calculated on.

Overlay – (Net Tax Levy) Overlay is a single account to fund abatements and exemptions of committed real and personal property taxes for any fiscal year. The overlay amount is determined by the board of assessors and may be raised in the tax rate without appropriation. The amount raised in the overlay account ranges between \$200K - \$400K. Any unused overlay, by a vote of the Assessors, will be returned to the Undesignated Fund Balance.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Local Receipts

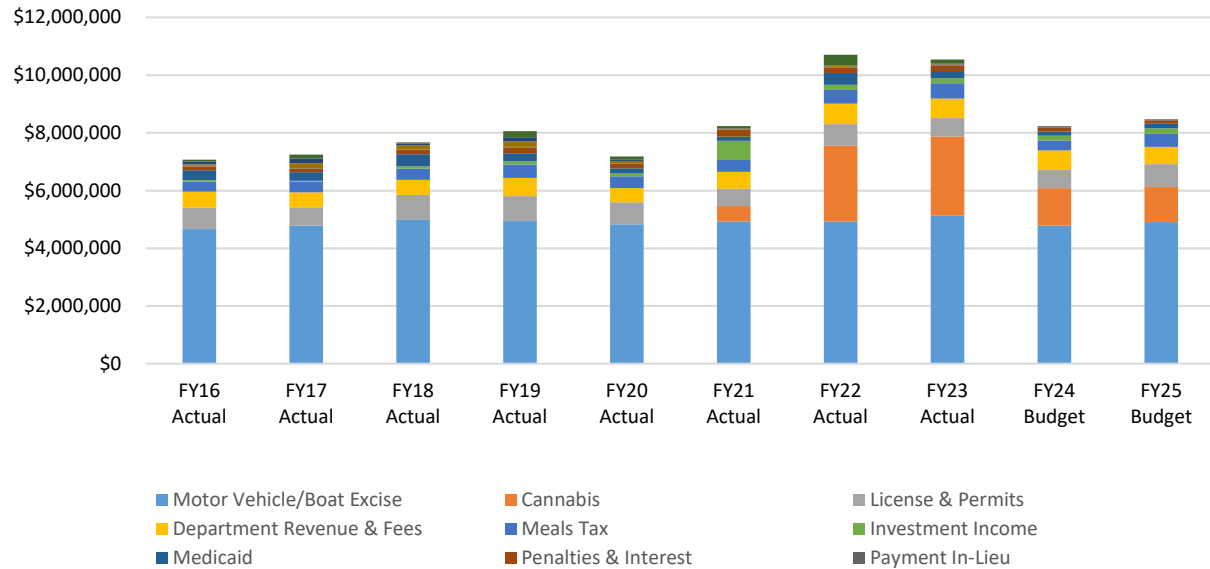
Local Receipts represents the amount of local taxes (excluding property taxes) and fees from all departmental operations retained directly by the town. The primary revenue items that comprise of local receipts are motor vehicle excise, interest income, cannabis excise tax, departmental fees, permits/licenses, and miscellaneous revenue. In FY24, local receipts accounted for approximately 8% of general fund revenues.

Dracut's Local Receipts FY16 – FY25

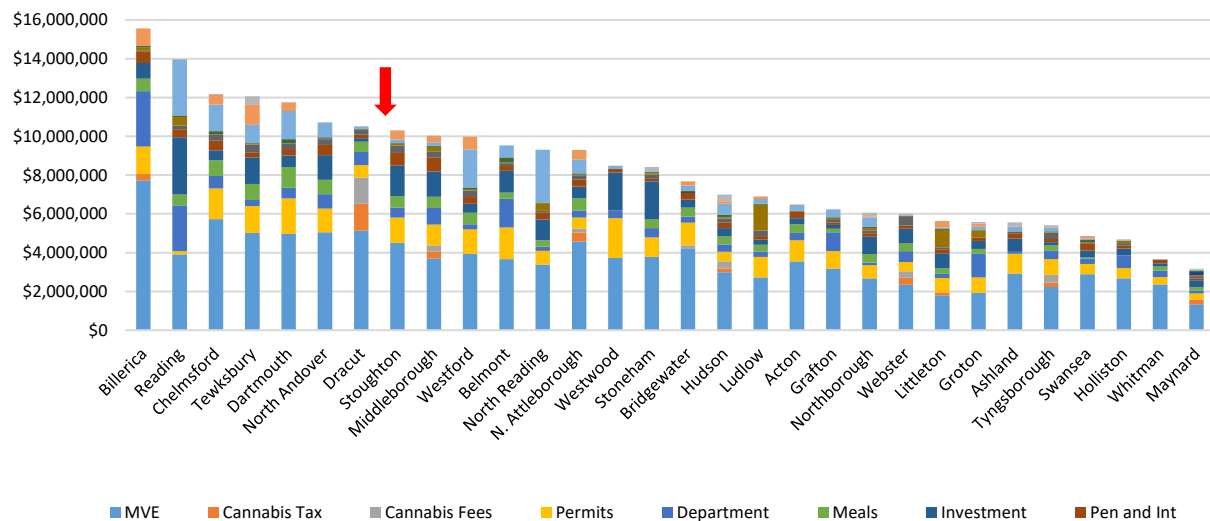
Local Receipts	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Motor Vehicle/Boat Excise	\$4,663,027	\$4,780,362	\$4,981,258	\$4,945,945	\$4,828,892	\$4,926,549	\$4,931,658	\$5,133,864	\$4,784,900	\$4,902,700
Cannabis	0	0	0	0	0	533,922	2,627,408	2,732,695	1,300,000	1,225,000
License & Permits	741,458	642,734	869,141	861,319	771,381	598,023	746,706	642,837	630,900	782,000
Department Revenue & Fees	555,223	516,098	523,501	625,365	478,307	587,921	707,871	675,313	674,700	608,100
Meals Tax	349,391	365,420	388,451	467,773	419,861	411,866	469,787	535,067	345,000	450,000
Investment Income	48,953	31,112	73,552	111,911	94,877	668,790	178,502	175,736	165,000	190,000
Medicaid	350,004	303,966	423,824	280,331	174,103	142,960	414,220	250,669	150,000	150,000
Penalties & Interest	128,167	110,862	149,154	200,803	162,779	228,254	182,322	183,288	135,000	130,000
Payment In-Lieu	23,195	22,919	20,744	21,302	22,833	29,506	23,498	23,220	21,000	21,000
Betterment	42,375	177,287	134,103	182,736	72,730	29,027	39,355	17,755	10,000	10,000
Fines & Forfeits	97,907	164,718	60,720	149,680	51,874	13,164	12,754	22,035	13,500	8,000
Misc. Non/Recurring Rev	71,017	128,067	45,608	210,174	101,636	60,026	375,657	143,584	0	0
Total Local Receipts	\$7,070,717	\$7,243,545	\$7,670,056	\$8,057,339	\$7,179,273	\$8,230,008	\$10,709,738	\$10,536,063	\$8,230,000	\$8,476,800
% of Increase		2.44%	5.89%	5.05%	-10.90%	14.64%	30.13%	-1.62%	-21.89%	3.00%

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Dracut's Local Receipts FY16 - FY25



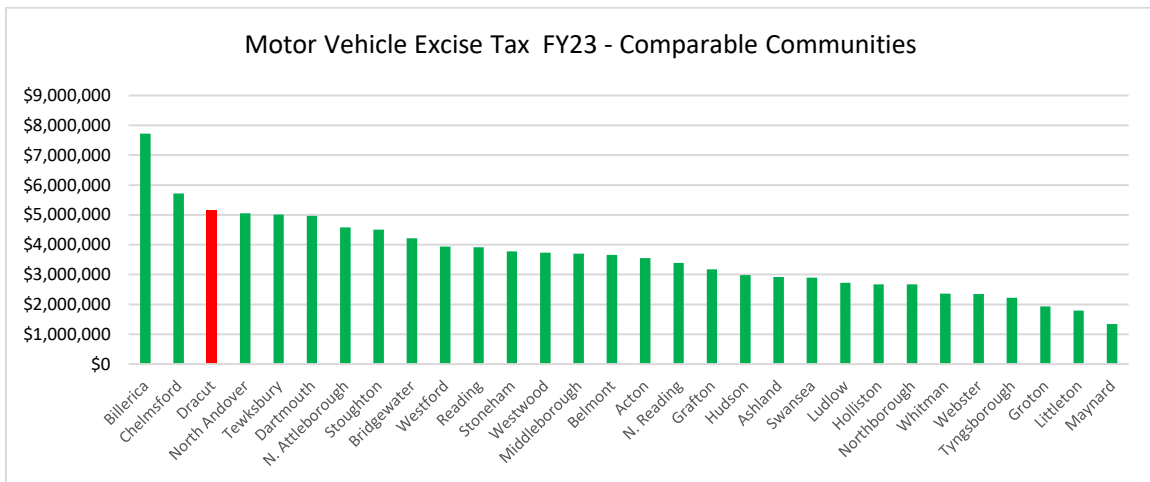
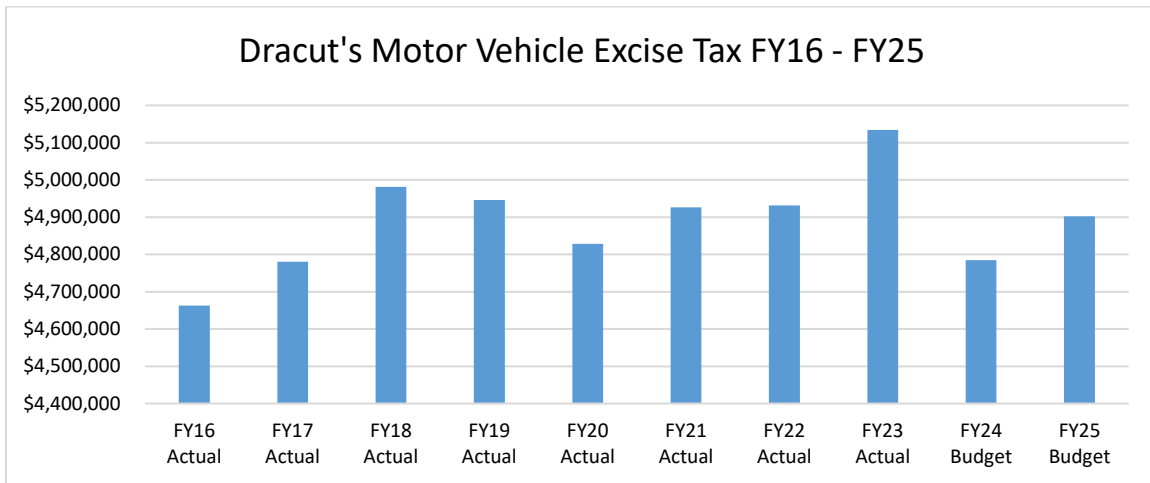
FY23 Local Receipts - Comparable Communities



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Motor Vehicle Excise Tax

Motor Vehicle Excise (MVE) tax is collected by the town in which a vehicle is garaged at the time of registration. State law sets the motor vehicle excise rate at \$25 per \$1,000 valuation. These monies are based on data provided by the Massachusetts Registry of Motor Vehicles. Valuations are determined by the Registry using a statutory formula based on a manufacturer's list price and year of manufacture. For FY25, the estimated projected MVE Tax revenue was increased by 2%.

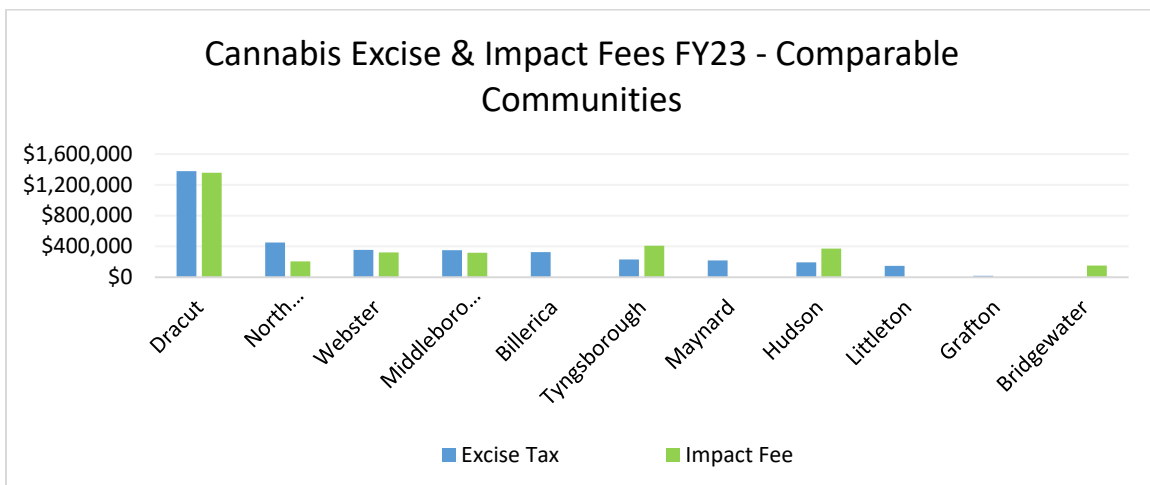
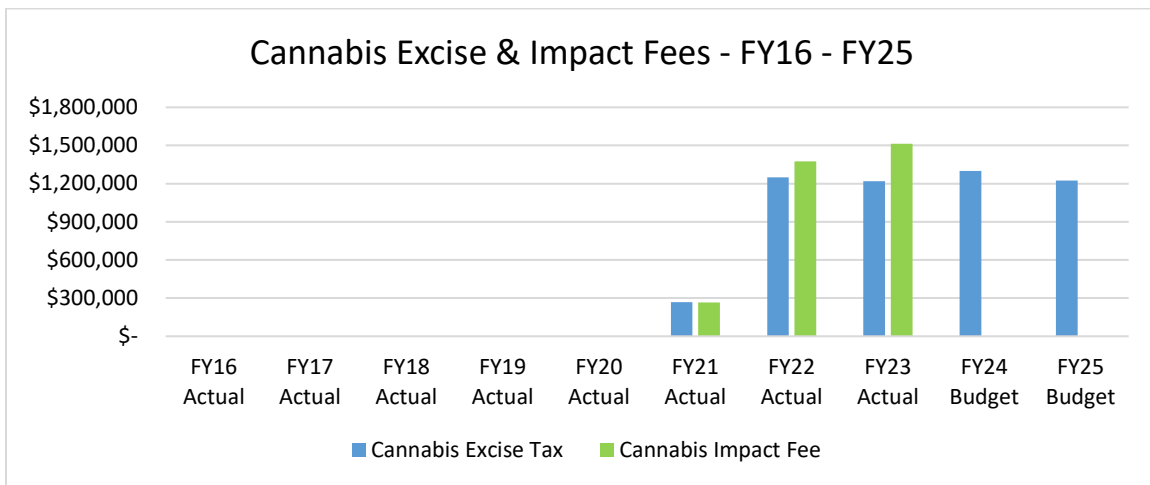


Cannabis/Marijuana Excise Tax

Massachusetts voters passed a ballot initiative in November 2016 legalizing adult use of recreational marijuana. The Massachusetts Department of Revenue began collecting tax on the sale of adult-use marijuana by licensed facilities as of July 1, 2018. Adult use marijuana is subject to a state sales tax of 6.25% and a state excise tax of 10.75%. There is a local option for cities and towns to add up to an additional 3% tax on the sales of recreational marijuana, which the Town of Dracut adopted the additional 3%. On March 1, 2024, the Cannabis Control

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Commission new regulations went into effect with regards to host agreements and impact fees that communities can collect. The Town of Dracut has four retail and two cultivation facilities. Each of these establishments have a host agreement with the Town, which subject each cannabis facility to an additional 3% impact fee. The Town has been collecting this 3% impact fee since its inception. The Cannabis Control Commission (CCC) adopted new regulation, which are much more restrictive and impedes the Town's ability to continue to collect the additional 3% impact fee. The amount of impact fees the Town will be able to collect going forward will be severely negatively impacted due to the new regulations. The Town has hired special counsel to deal with these host agreements, and impact fees.

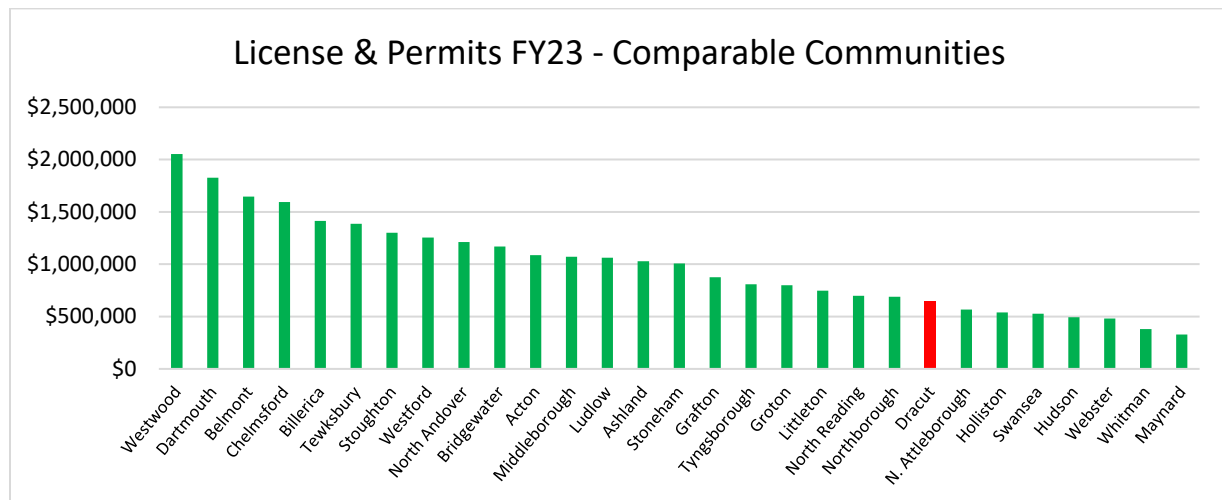
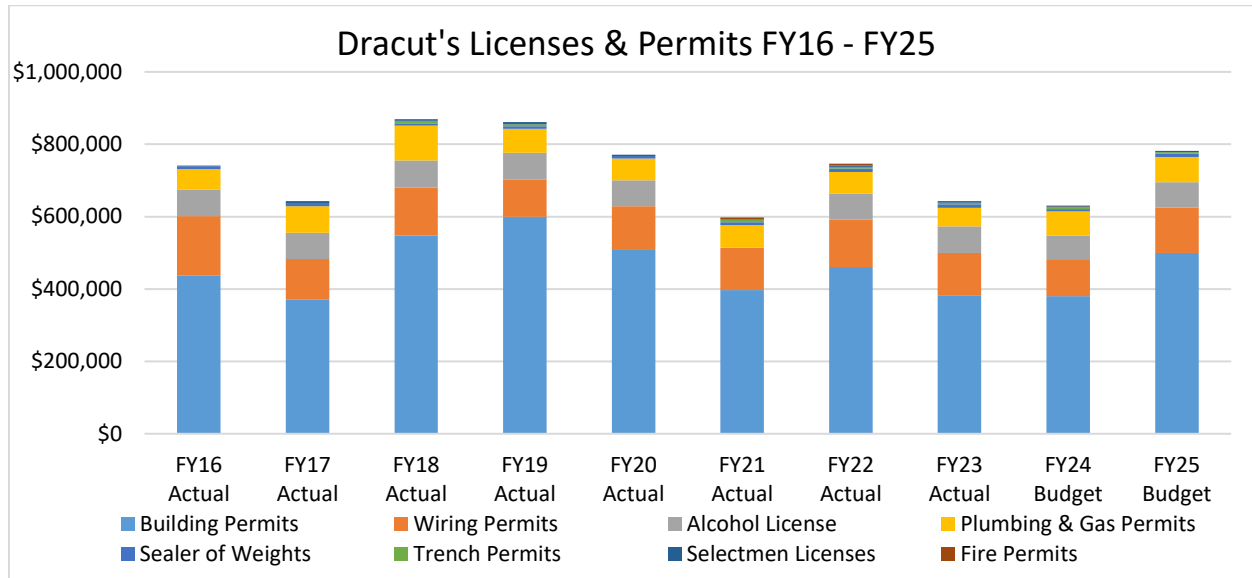


Licenses & Permits

The majority of revenues from licenses and permits comes from inspections services for building, plumbing & gas and electrical permits. This makes up 86% of the revenue in this category. The amount collected is heavily correlated to the amount of new construction and improvements in the Town. In FY24, the Town increased its

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

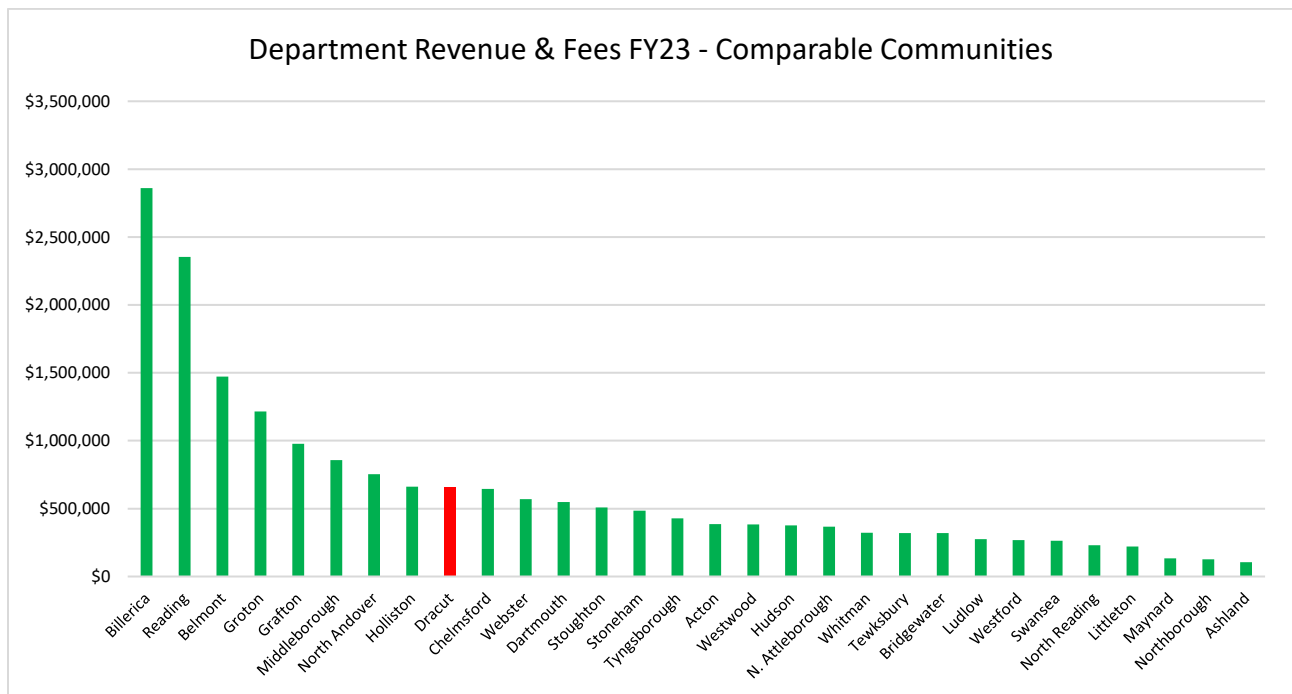
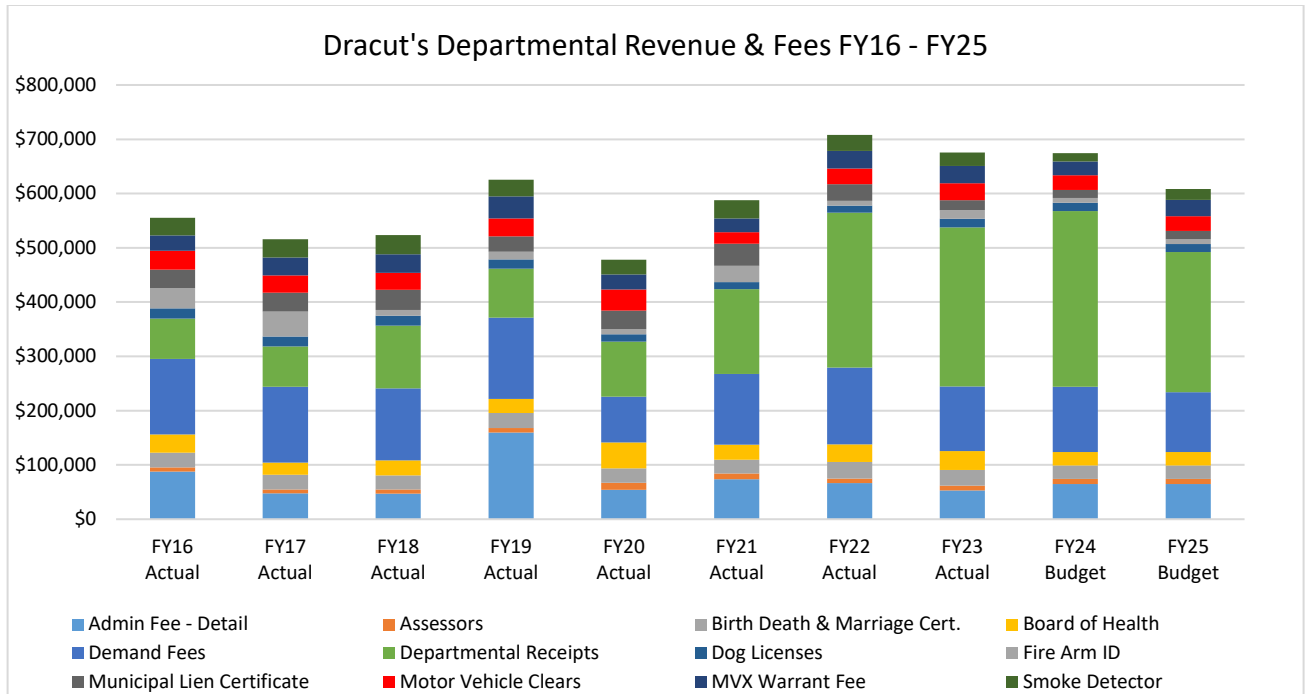
building, plumbing and gas and electrical permit fees. Other licenses and permits include alcohol licenses, sealer of weights and trench permits. Alcohol licenses range anywhere from \$200 - \$2,000, depending on the type of license that is issued.



Department Revenues & Fees

Some of the most common fees and revenues in this category comprise of demand fees on delinquent tax bills, municipal lien certificates, motor vehicle registry clears, motor vehicle warrant fees, dog licenses, business licenses, birth, death and marriage certificates, Planning Board Fees, Board of Appeals Fees, Police detail administration fees, and various other departmental receipts.

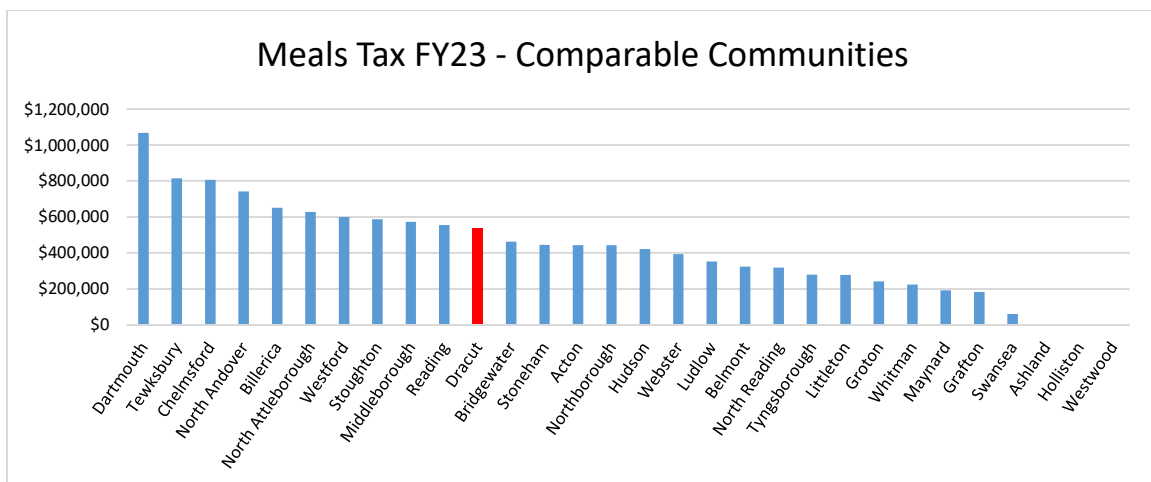
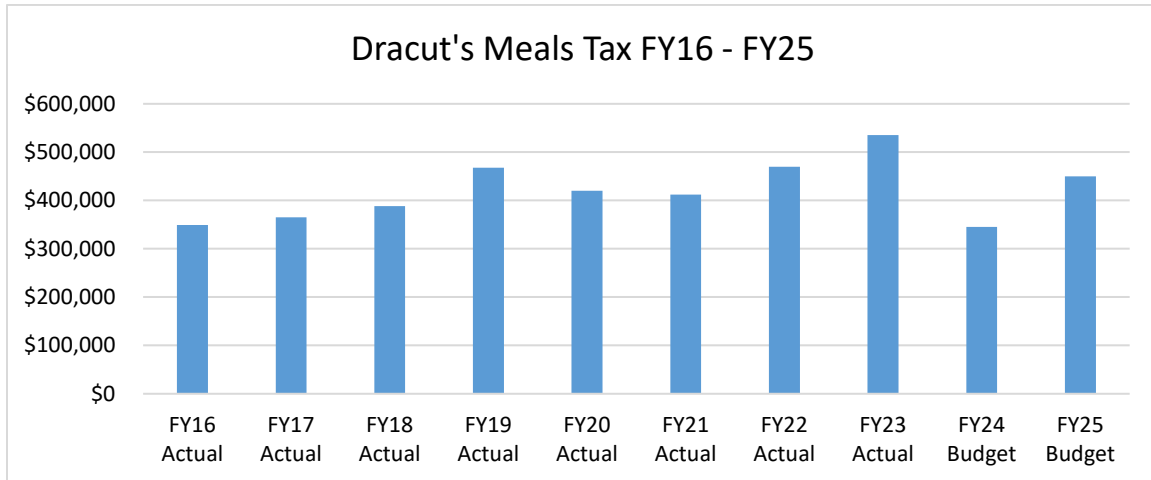
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Meals Tax

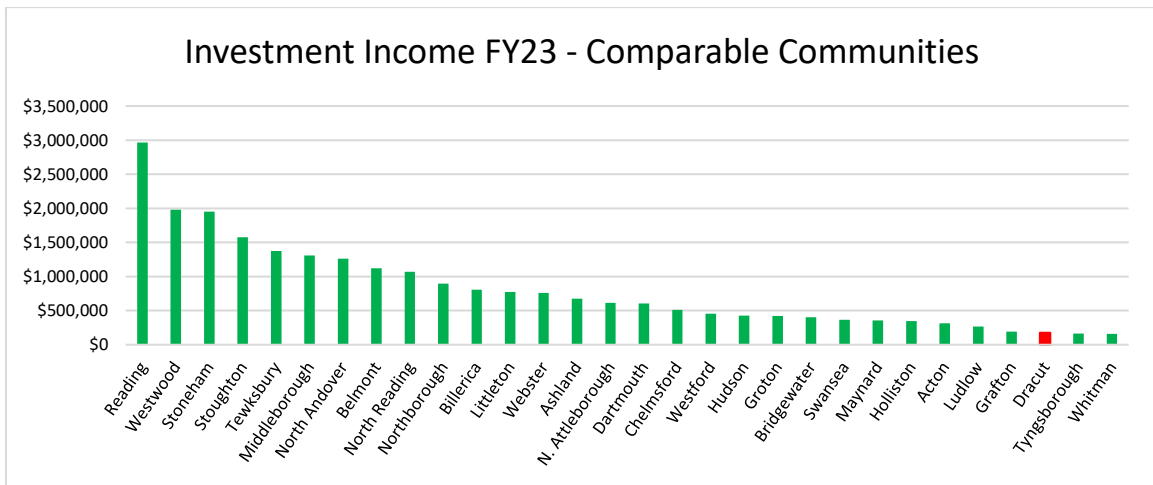
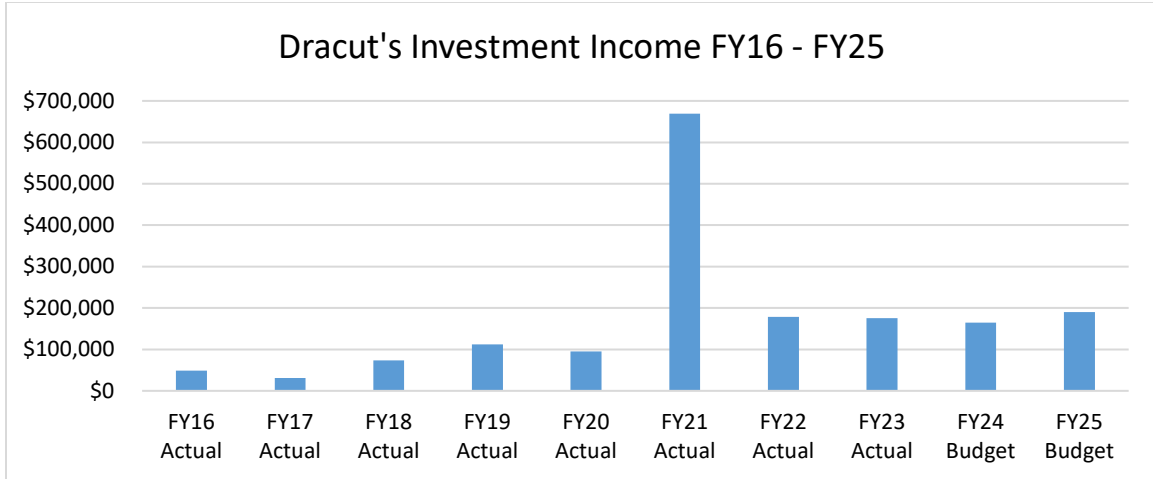
This is a local option Meals Tax to add a .75% tax for restaurant meals in the Town of Dracut.



Investment Income

The Town's general fund investment income has seen an increase in revenue since the Federal Reserve began increasing rates to help curb inflation. As a result, the Town is seeing a spike in its investment income, however, once the Fed's start to decrease rates it will impact the Town's investment rate at the banks. It is not anticipated that the Town will see these increased earnings in the subsequent years due to a potential decrease in rates, and utilization of reserves. The Town's general fund investments include Certificate of Deposits, Money Market Accounts, and U.S. Treasury Notes according to the legal list of investments. It should be noted that in FY21 the Town did see a spike in its investment income, as it recognized the maturity of certain investments.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

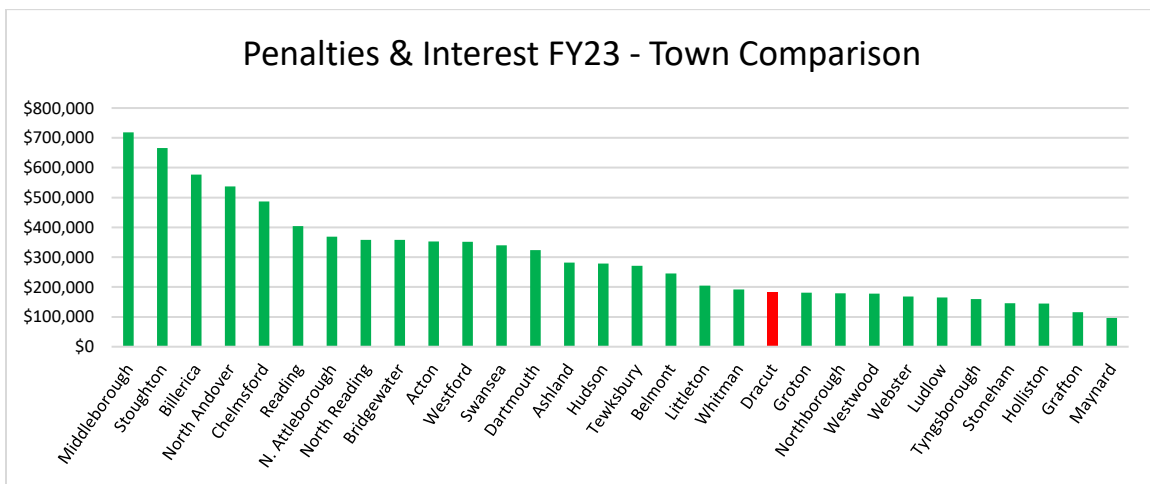
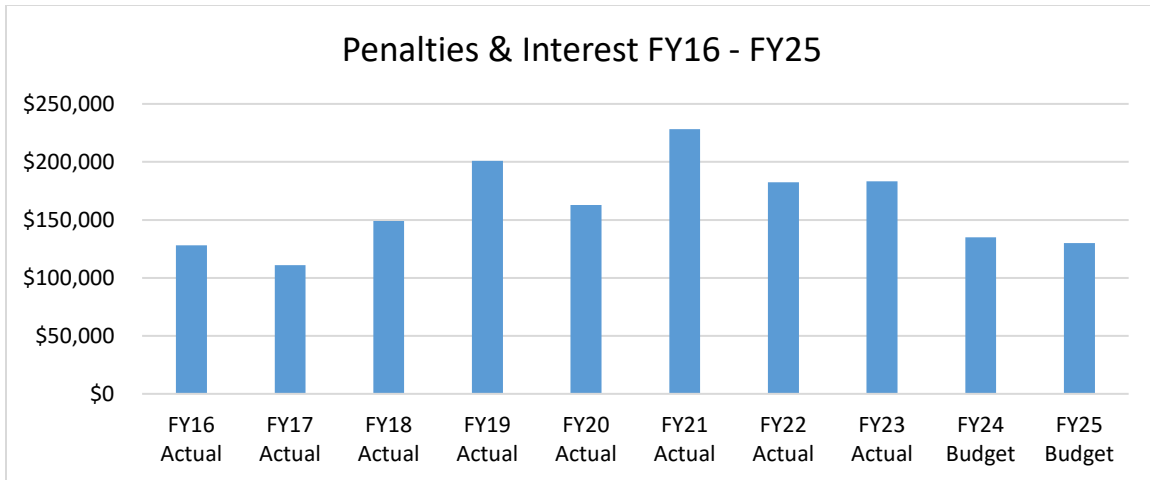


Penalties & Interest

Massachusetts General Law (MGL) Chapter 59 and 60 outline the amount (percentage) of penalties and interest a municipality can assess for unpaid tax bills. Interest is assessed on the day after the due date according to the provision of MGL. The rates are as follows:

- Real Estate and Personal Property Tax – 14%
- Motor Vehicle Excise Tax – 12%
- Tax Title – 16%

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Other Local Receipts

- **Medicaid Reimbursement** – This revenue source reflects the annual payments received from the federal government as Medicaid reimbursement. This reimbursement is for certain health services provided to students by the school system. FY23 revenue received was \$250,269, for FY25, the Town budgeted \$150,000.
- **Payment in Lieu** – The revenue received from payments in lieu of taxes from the Dracut Housing Authority. FY23 revenue received was \$23,220. For FY25, the Town budgeted \$21,000.
- **Betterments** – This is revenue collected through the taxation process for the betterment improvements made on Robbins Road. Over the past several years many of these betterments have been paid off. FY23 revenue received was \$17,755. For FY25, the Town budgeted \$10,000.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

- **Fines & Forfeits** - The majority of the fine revenue is due to motor vehicle infractions. Other fines include Court Fines, animal control fines and parking tickets. FY23 revenue received was \$22,035. For FY25, the Town budgeted \$8,000.
- **Miscellaneous Revenue** – This is a category of local revenue that allows us to properly account for and classify miscellaneous revenues or one-time revenues that are unexpected, unplanned, or non-reoccurring. Examples for these are insurance payment recoveries, restitution payments, unclaimed property from the state, prior year reimbursement.

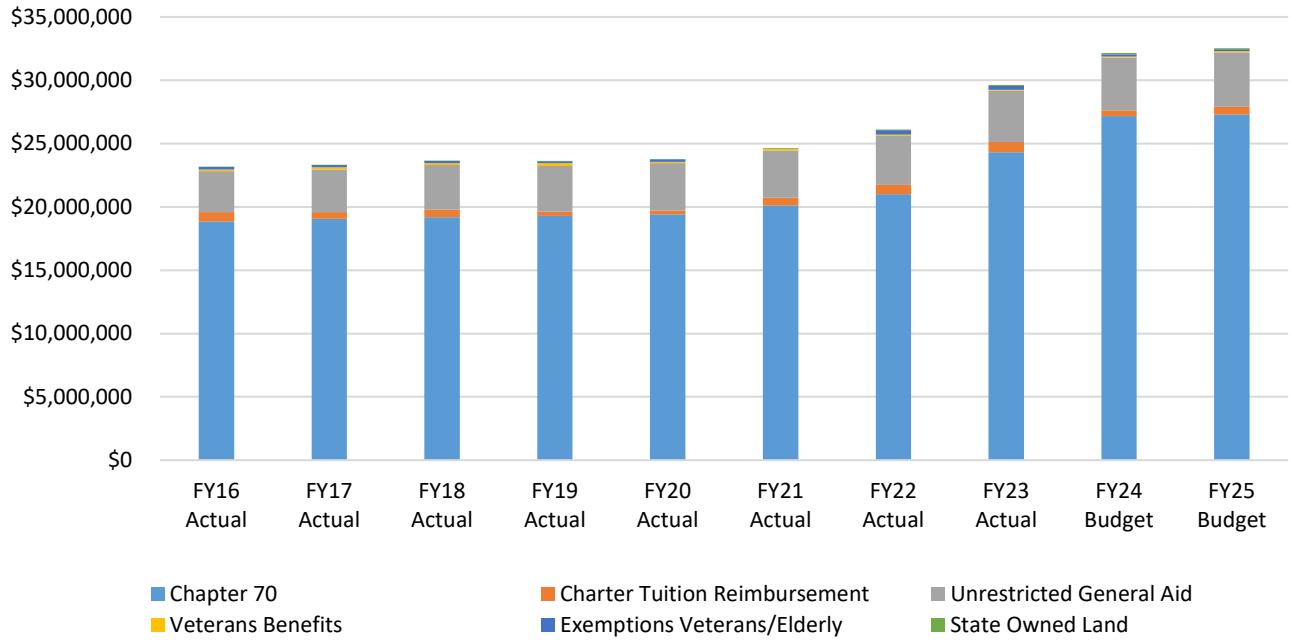
State Aid

In FY24, State Aid (Cherry Sheet) accounted for 30% of General Fund Revenues. These funds are from the Commonwealth and amounts are determined by the state budget process. Below is a brief description of each state aid category. For FY25, the governor proposed state aid projects show an increase of 1.19% from FY24.

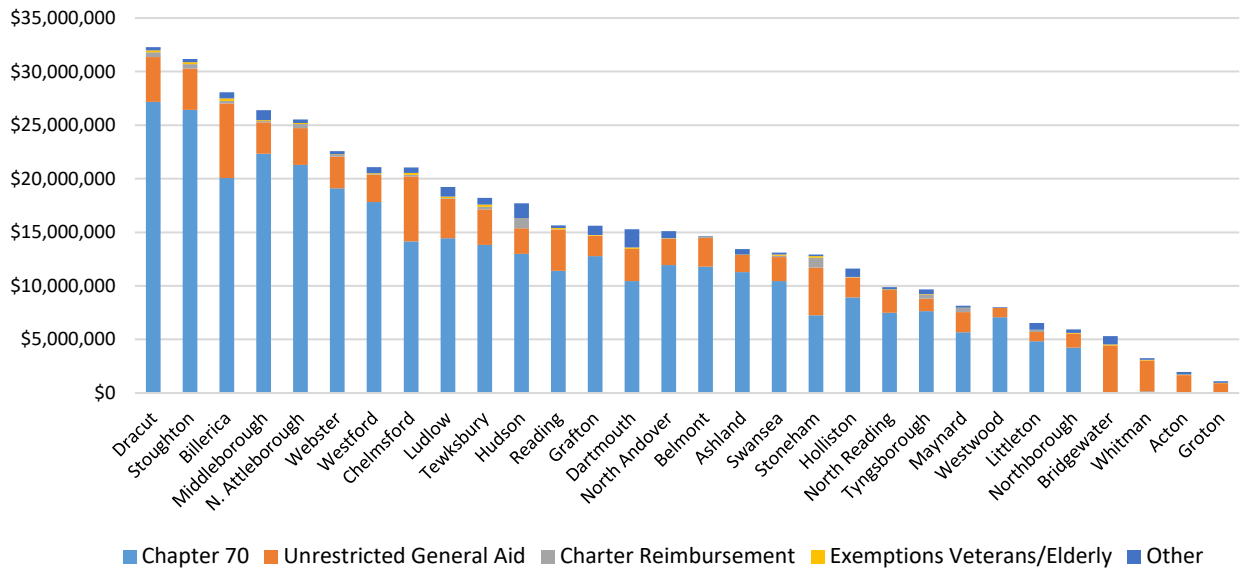
State Aid	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Chapter 70	\$18,858,492	\$19,068,977	\$19,182,047	\$19,297,217	\$19,420,739	\$20,128,364	\$21,013,411	\$24,318,160	\$27,170,143	\$27,285,133
Charter Tuition Reimbursement	723,949	512,400	617,801	315,592	301,754	589,158	729,201	794,819	441,695	608,463
Unrestricted General Aid	3,229,915	3,368,801	3,500,184	3,622,690	3,720,503	3,720,503	3,850,721	4,058,660	4,188,537	4,314,193
Veterans Benefits	149,733	164,233	165,446	215,967	117,133	118,053	116,596	73,297	73,039	82,992
Exemptions Veterans/Elderly	183,043	192,744	171,342	143,852	188,742	38,085	335,398	302,023	184,611	148,920
State Owned Land	33,334	32,938	32,907	36,938	42,872	45,179	52,283	67,109	79,298	79,679
Subtotal	\$23,178,466	\$23,340,093	\$23,669,727	\$23,632,256	\$23,791,743	\$24,639,342	\$26,097,610	\$29,614,068	\$32,137,323	\$32,519,380
% of Increase		0.70%	1.41%	-0.16%	0.67%	3.56%	5.92%	13.47%	8.52%	1.19%
Offset Items										
School Choice Tuition	140,340	201,370	203,974	157,345	173,361	106,000	108,688	91,809	70,774	80,224
Public Libraries	46,255	43,041	39,940	41,293	46,391	55,333	59,639	73,973	80,645	81,919
Total State Aid	\$23,365,061	\$23,584,504	\$23,913,641	\$23,830,894	\$24,011,495	\$24,800,675	\$26,265,937	\$29,779,850	\$32,288,742	\$32,681,523

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Dracut's State Aid FY15 - FY25



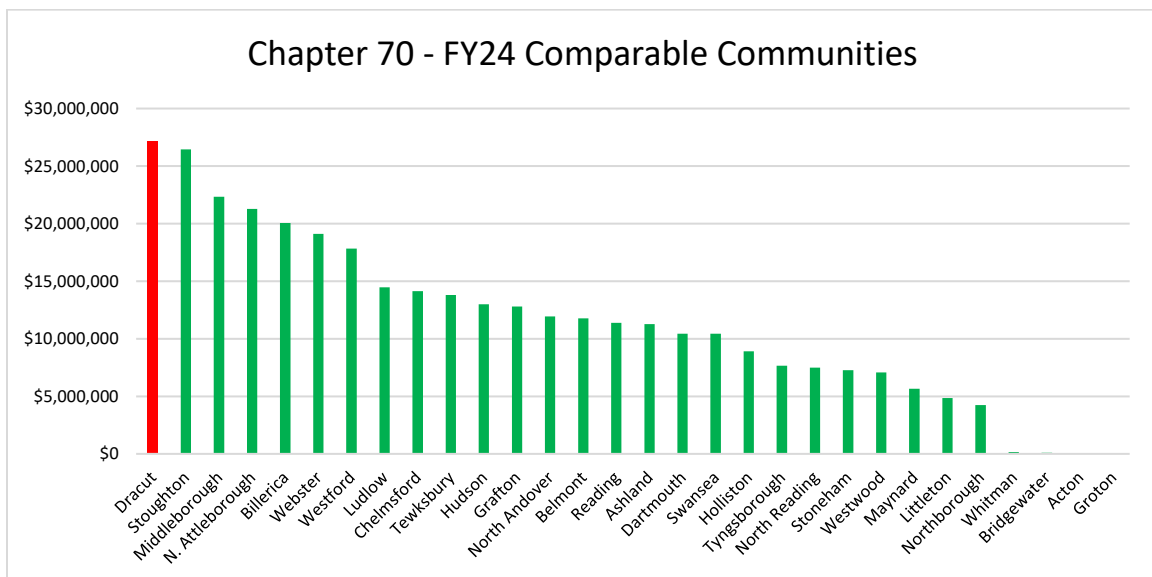
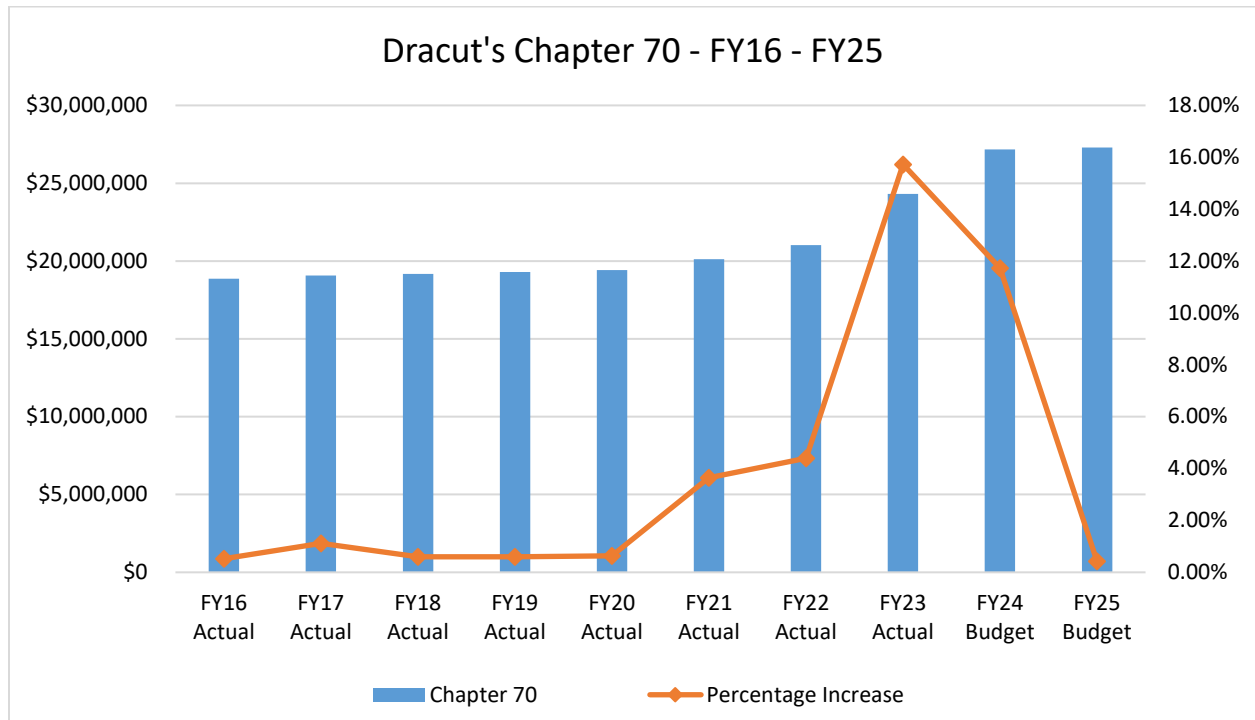
State Aid FY24 - Comparable Communities



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Chapter 70

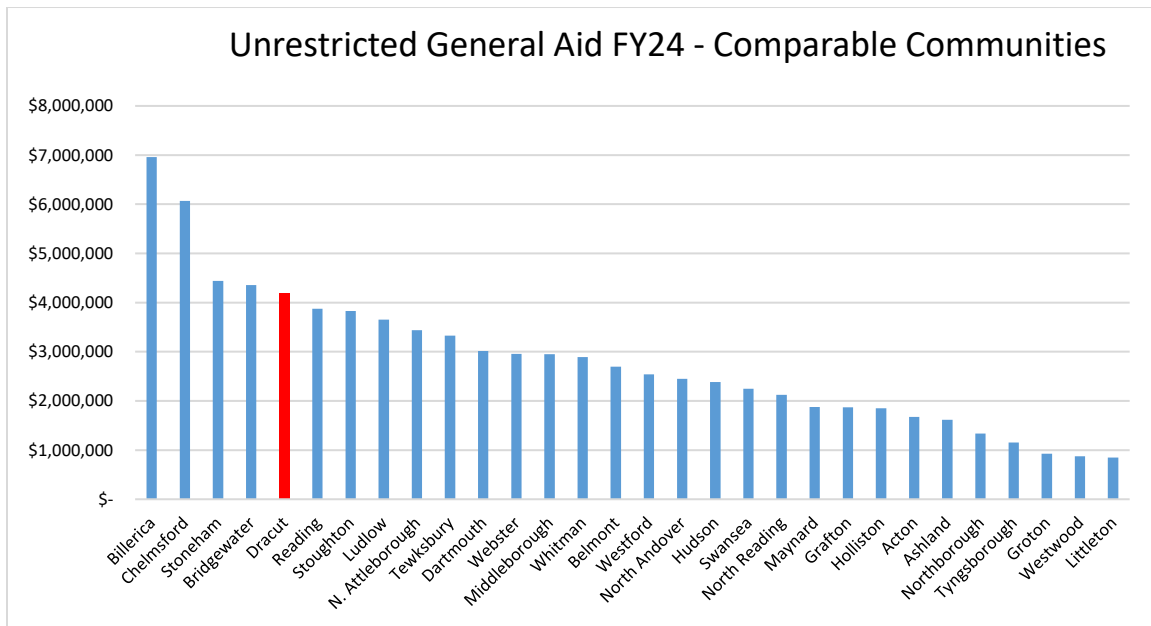
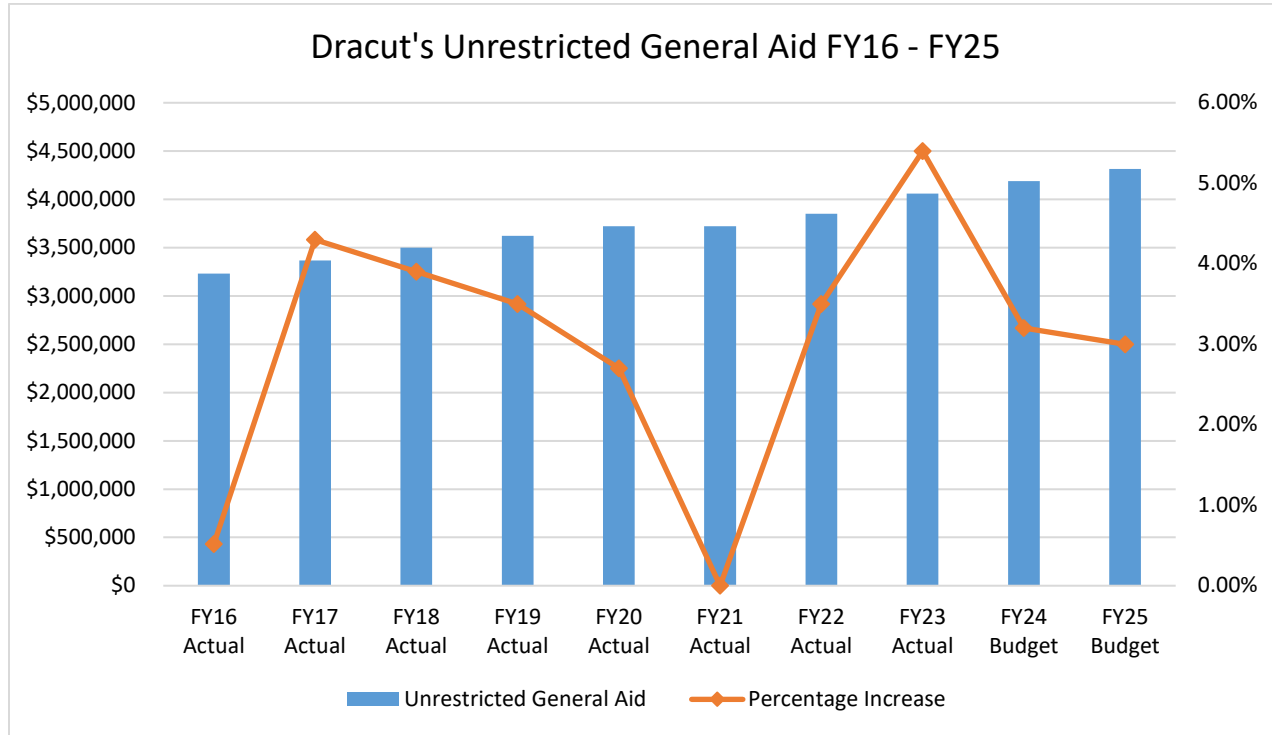
The Chapter 70 program is the major program of state aid to public elementary and secondary schools. The program also established minimum spending requirements for each municipality's share of school cost. For FY24, the Town received an additional \$2,851,983 or 11.72%. For FY25, the estimated proposed Governor's budget for Chapter 70 is expected to increase \$114,990, or .42%. More information regarding Chapter 70 can be found at <http://www.doe.mass.edu/finance/chapter70>



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Unrestricted Government Aid

These funds are unrestricted, which can be used by the municipality for any municipal purpose. Those communities with a lower Equalized Property Valuation (EPV) receive a higher share. For FY24, the Town received an increase of \$129,877, or 3.2%. The governor is currently proposing a 3% increase for FY25, or \$125,656.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Charter Tuition Reimbursement

Municipal and regional school districts pay tuition for resident pupils attending Commonwealth Charter Schools. Parents have a choice to send their children to charter schools and have the town pay the tuition. The state reimburses the town a portion of these costs. For FY24, the Town is expected to receive \$441,695 for Charter School Reimbursements. The governor budget for FY25 is estimated to be \$608,463.

Tax Exemption Aid for Veterans, Blind Persons, Surviving Spouses and the Elderly

Chapter 59, Section 5 of M.G.L.s details the requirements for assistance. The town is partially reimbursed for these exemptions towards property taxes. Residents that have questions regarding exemptions should contact the Assessor's office. For FY24, the Town is expected to receive \$184,611. The state is estimating for FY25 \$148,920.

Other State Aid Payments

- **State Owned Land** - Much like payment in lieu of taxes, the state pays the town an amount to make up for lost property tax revenue on state owned land. For FY24, the Town is expected to receive \$79,298. The state is estimating for FY25 \$79,679.
- **Veterans Benefits** - Under Chapter 115, Section 6 of Massachusetts General Laws (M.G.L. Ch. 115), the Commonwealth provides a uniform program of financial and medical assistance for indigent veterans and their dependents. Qualifying veterans and their dependents receive necessary financial assistance for food, shelter, clothing, fuel, and medical care in accordance with a formula which considers the number of dependents and income from all sources. Reimbursements are determined by the previous year veterans' benefits issued to Veterans. For FY24, the Town is expected to receive \$73,039. The state is estimating for FY25 \$82,992.
- **School Choice (Offset Item)** - To provide funding to receiving districts for accepting pupils from other districts. These funds go directly to the school, without further appropriation. They are under the control of the Superintendent and School Committee. For FY24, the Town is expected to receive \$70,774. The state is estimating for FY25 \$80,224.
- **Public Library (Offset Item)** - The funding for Public Libraries includes three grant awards: The Library Incentive Grant (LIG) that encourages municipalities to maintain minimum levels of service, the Municipal Equalization Grant (MEG) to help compensate libraries with relatively less revenue, and the Nonresident Circulation Offset (NRC) that helps offset the cost of circulating materials to residents of other communities. Massachusetts General Law Chapter 78, section 19a states that a municipality must appropriate a figure of at least the average of the last 3 year's municipal appropriation to the library operations, increased by 2.5%, in order to be certified for State Aid to Public Library. The MAR for Dracut for FY25 is \$878,000, which the Town for FY25 is budgeting \$885,242, barely above the MAR. These funds go directly to the library, without further appropriation. They are under the control of the Library Trustees. For FY24, the Town is expected to receive \$80,645. The state is estimating for FY25 \$81,919.

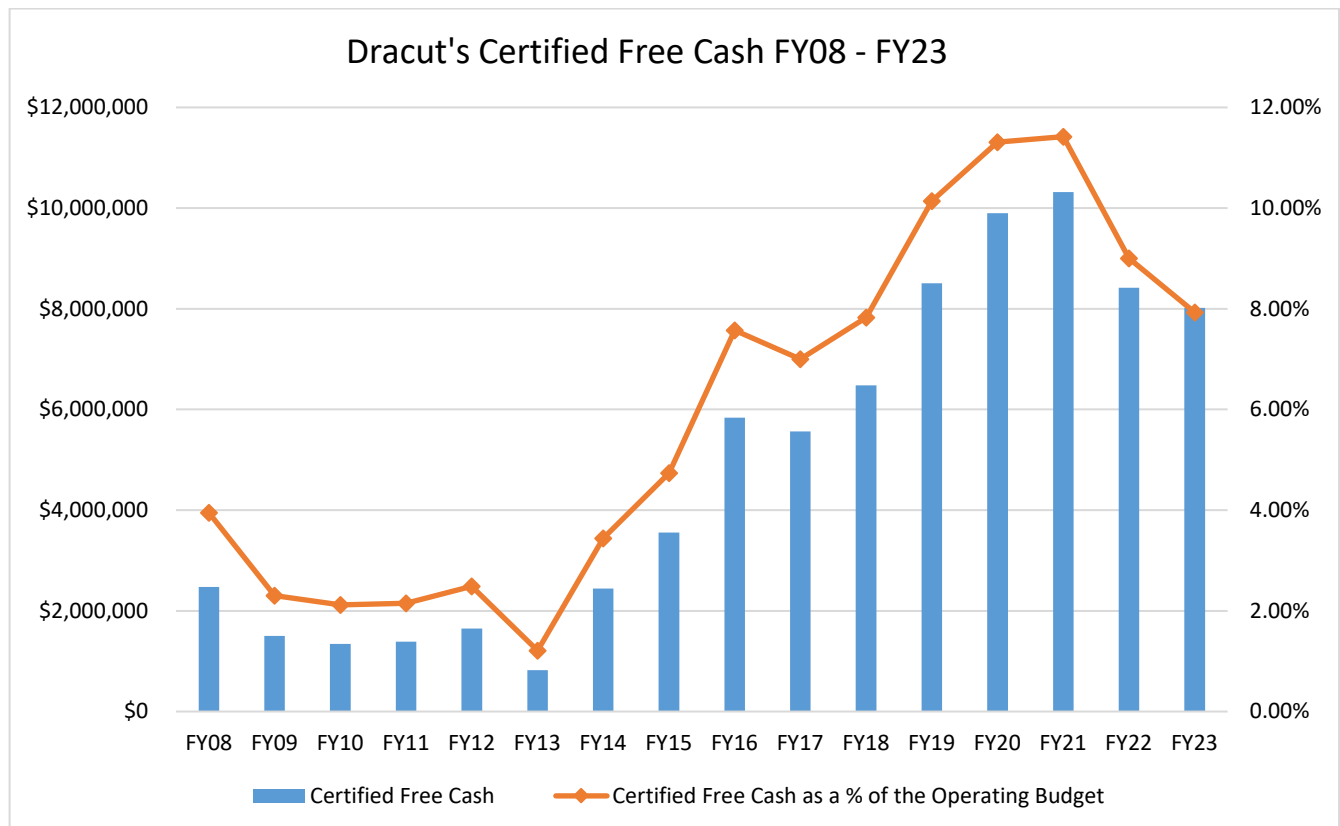
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Reserves & Other Funds/Transfers

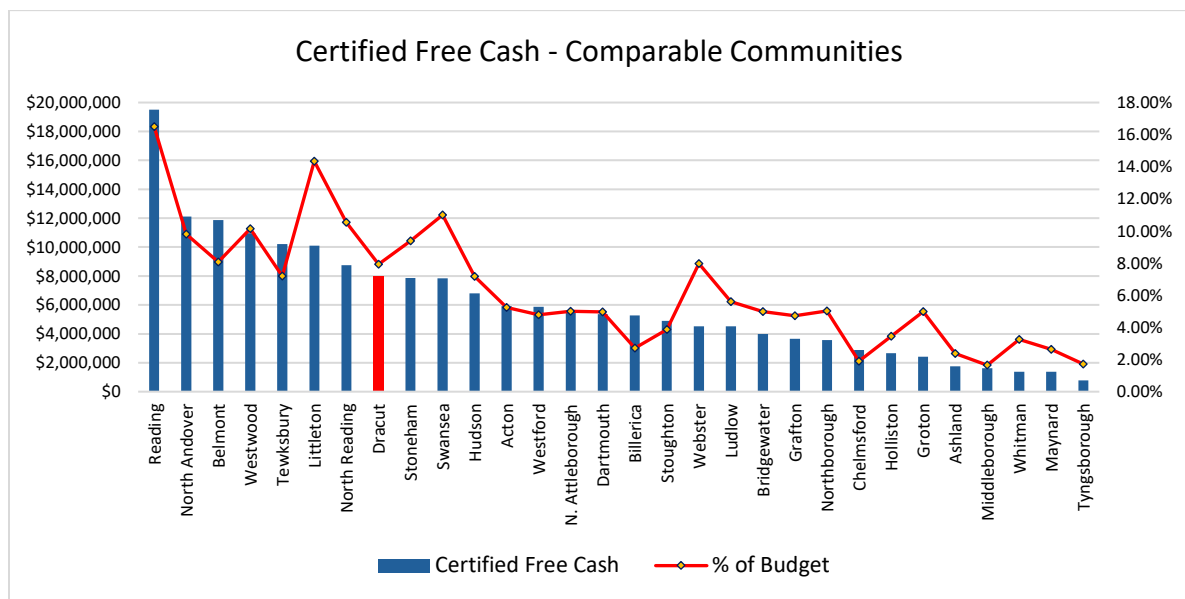
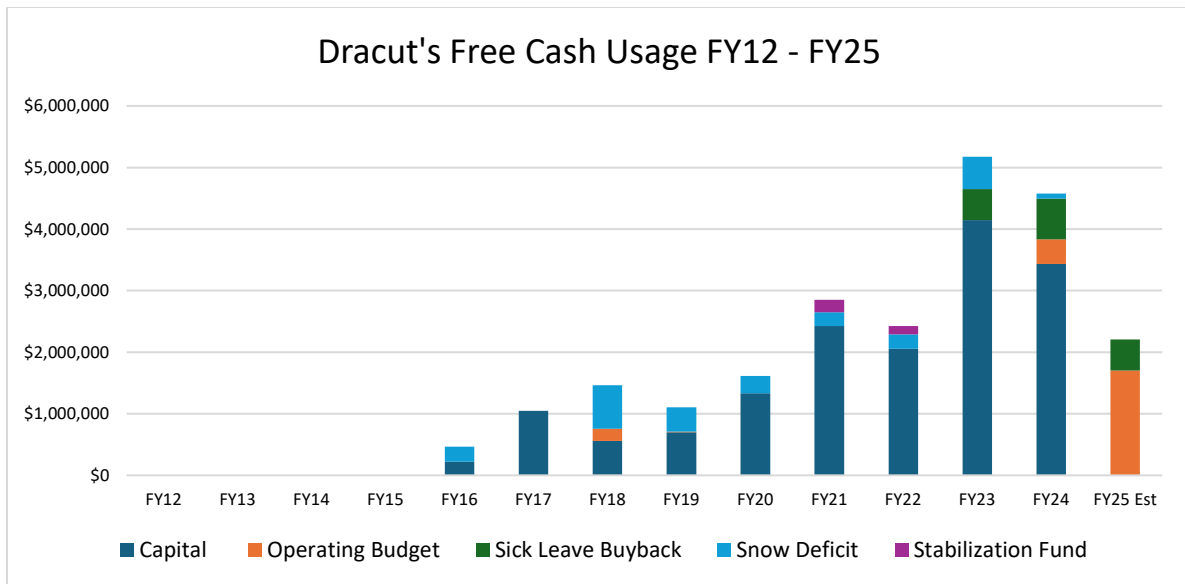
These amounts represent transfer from Water and Sewer Enterprise Fund, use of Free Cash, and transfer from other available funds.

Free Cash

Free cash is calculated at the beginning of each fiscal year, and results from the calculation of our remaining, unrestricted funds from its operations of the previous fiscal year based on the balance sheet as of June 30. It includes actual receipts in excess of revenue estimates and unspent amounts in departmental budget line items for the year just ending, plus unexpended free cash from the previous year. Free cash is offset by property tax receivables and certain deficits, and as a result, can be a negative number. Free cash is only available for use after the Town Accountant submits a prior-year balance sheet to the Division of Local Services (DLS) and the Director of Accounts certifies the free cash figure. Once certified, free cash may be expended at Town Meeting. It is recommended by the DLS that free cash be used for one-time expenditures. Dracut has historically used free cash to purchase capital and equipment, supplement our snow & ice operations, sick leave buyback, and to supplement operating budgets when necessary, however using free cash to supplement the operating budget is frowned upon from our bond rating agency, Standard & Poors. It is not recommended that free cash be used to pay for ongoing annual expenses. Below is a chart showing the certified free cash. The increase in Free Cash in the past few fiscal years is due to the Impact Fees that the Town has received from its Cannabis facilities, which the policy has been to not budget for these sunset revenues. For FY25, the Town is using \$2,205,000 to supplement the operating budget.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Transfer from Other Funds

- Sewer Enterprise Fund** – This represents the transfer of indirect costs (chargebacks) that are not budgeted for in the Enterprise Fund. These costs include Insurance and Benefits, central service department costs in Collections, Treasury, Accountant, IT, Legal, Town Manager, Human Resources, Engineering, Planning and Department of Public Works. The FY24 transfer to the general fund was \$840,000. The budgeted transfer for FY25 is \$840,000.
- Water Enterprise Fund** – This represents the transfer of indirect costs (chargebacks) that are not budgeted for in the Enterprise Fund. These costs include Insurance and Benefits, central service

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

department costs in Collections, Treasury, Accountant, IT, Legal, Town Manager, Human Resources, Engineering, Planning and Department of Public Works. The FY24 transfer to the general fund was \$191,000. The budgeted transfer for FY25 is \$191,000.

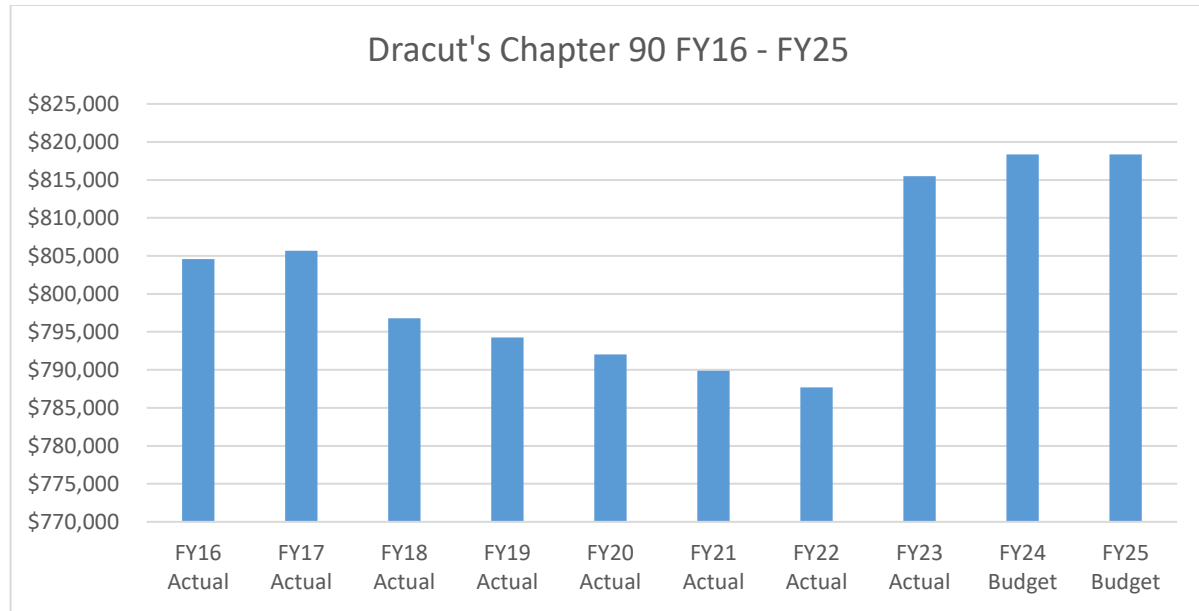
- **Town Hall Stabilization Fund** – This fund is used to supplement the debt associated with the Town Hall Debt payment. The FY24 transfer to the general fund was \$86,756. The budgeted transfer for FY25 is \$86,756.
- **Conservation** – This fund is used to offset expenses related to the Conservation department. The FY24 transfer to the general fund was \$5,000. The budgeted transfer for FY25 is \$5,000.
- **TIP Fee Reserve** – This fund is used to offset costs associated with trash services. The FY24 transfer to the general fund was \$0. The budgeted transfer for FY25 is \$45,000.
- **IT Stabilization Fund** – This fund is used to offset the costs associated with IT services. The FY 2024 transfer to the general fund was \$0. The budgeted transfer for FY25 is \$45,000.
- **OPIOID Fund** – This fund is used to offset the costs associated with OPIOID programs and support personnel at the school department. The FY24 transfer to the general fund was \$60,000. The budgeted transfer for FY25 is \$60,000.
- **School Cafeteria Fund** – The transfer from this fund is authorized by the Superintendent and School Committee to offset insurance and benefit costs associated with the cafeteria workers. The FY24 transfer to the general fund was \$225,000. The budgeted transfer for FY25 is \$300,000.
- **Other Funds** – The transfer of these special revenue funds or closed/completed prior approved capital article is to offset costs or capital projects within the general funds. The funds in these accounts are very limited. The FY 2024 transfer to the general fund was \$0. The budgeted transfer for FY25 is \$63,470.

Chapter 90

The purpose of the Chapter 90 Program is to provide municipalities with an annual funding source for improvements to and investments in local transportation networks. The Chapter 90 Program allows municipalities to evaluate their unique transportation needs and goals and allocate funding dollars accordingly. This is a reimbursement program, which means that municipalities pay for approved expenses up-front and receive reimbursement afterwards.

Funding levels for the Chapter 90 Program are established by Massachusetts Legislature and approved by the Governor on an annual basis. Based on the amount approved, each of the Commonwealth's 351 municipalities are allocated a portion of overall Chapter 90 Program dollars each state fiscal year, which runs July 1 through June 30. The amount of annual funding a municipality receives is based on local road mileage (58.33%), population (20.83%), and employment (20.83%). The Town of Dracut is expected to receive \$818,361 in FY25 for Chapter 90.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Expenditures

The Town's general fund expenditures, excluding Enterprise Funds, are broken down into general government, public safety, department of public works, education/schools, health and human services, culture and recreation, debt services, insurance and benefits and reserves. This section will discuss the Town's expenditures, and look at the historical information, as well as looking at compatible communities. It should be noted that data is not consistent across communities based on how communities organize their departments. For example, some police departments include their dispatch services in their police department, while Dracut uses a regional dispatch center. The Town did reach out to communities for clarification on some of the data, but most of the information was gathered from the databank at the Division of Local Services and DESE. The chart and graphs below detail the expenditure for each of the Town sectors.

Town Manager Departments	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$10,801,258	\$10,693,939	\$11,294,563	\$11,803,278	\$13,377,799	\$13,023,467	\$13,188,488	\$13,762,189	\$14,757,848	\$14,938,965
Overtime	0	576,098	364,946	351,658	362,699	381,780	1,575,260	1,291,126	1,226,266	1,155,348
Audit	46,250	36,750	44,750	50,250	50,750	45,000	56,030	51,500	75,000	75,000
Contract Services	498,902	362,806	427,676	740,714	742,788	1,088,835	827,601	798,149	997,642	892,926
Election Expense	29,347	58,025	35,166	61,827	57,697	83,225	39,673	78,601	87,000	84,400
Expenses	1,491,905	1,770,810	1,835,509	1,647,679	1,448,817	1,745,034	2,481,749	1,797,567	1,843,348	1,651,393
Legal Services	218,290	214,685	190,185	301,825	260,947	192,574	198,963	303,838	290,000	290,000
Regional Dispatch Center	0	0	0	0	0	0	0	0	280,000	475,000
Refuse & Recycling Collection/Disposal	1,813,019	1,849,192	1,936,600	2,031,118	2,367,460	2,384,700	2,455,923	2,855,097	3,145,000	3,463,105
Sick Leave Buyback	543,273	305,601	145,388	65,777	120,852	183,247	335,661	349,187	500,000	500,000
Snow & Ice	526,931	1,269,602	1,056,477	848,000	794,781	788,613	1,079,783	648,000	588,000	588,000
Utilities	370,103	407,398	410,110	378,371	344,741	360,987	385,461	343,096	394,650	419,650
Vehicle Fuel	149,843	148,576	232,356	197,157	172,140	142,447	260,520	279,097	195,000	260,000
Veterans Benefits	197,536	234,419	210,675	160,852	157,404	136,690	116,796	114,387	155,000	135,000
Total Expenses	\$16,686,657	\$17,927,901	\$18,184,401	\$18,638,506	\$20,258,875	\$20,556,600	\$23,001,908	\$22,671,836	\$24,534,754	\$24,928,787

Dracut Public School	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Net School Spending	\$28,300,000	\$28,741,345	\$29,350,000	\$29,350,000	\$30,550,000	\$31,680,156	\$32,792,513	\$36,319,060	\$38,926,213	\$39,293,700
Transportation	\$2,018,101	\$1,996,096	\$2,066,096	\$2,320,000	\$2,500,000	\$2,621,804	\$2,745,403	\$2,858,134	\$2,979,000	\$3,144,684
Total Expenses	\$30,318,101	\$30,737,441	\$31,416,096	\$31,670,000	\$33,050,000	\$34,301,960	\$35,537,916	\$39,177,194	\$41,905,213	\$42,438,384

Greater Lowell High School	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
GLTHS - Assessment	\$3,869,112	\$4,150,187	\$4,505,414	\$4,464,544	\$4,498,796	\$4,682,155	\$4,553,722	\$4,911,236	\$5,070,000	\$5,827,703
GLTHS - Non-Net Assessment	\$178,711	\$221,213	\$235,124	\$187,534	\$169,572	\$158,213	\$161,111	\$292,157	\$304,000	\$303,409
Total Expenses	\$4,047,823	\$4,371,400	\$4,740,538	\$4,652,078	\$4,668,368	\$4,840,368	\$4,714,833	\$5,203,393	\$5,374,000	\$6,131,112

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Essex Aggie	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Essex Aggie - Assessment	\$140,448	\$70,796	\$46,443	\$31,126	\$15,259	\$17,649	\$20,853	\$18,766	\$20,405	\$20,000
Essex Aggie Non-Net Assessment	\$33,333	\$16,538	\$15,000	\$9,028	\$2,500	\$2,381	\$4,070	\$1,750	\$1,750	\$2,000
Total Expenses	\$173,781	\$87,334	\$61,443	\$40,154	\$17,759	\$20,030	\$24,923	\$20,516	\$22,155	\$22,000

Debt Services	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Non-Exempt Principal	\$2,030,000	\$1,741,890	\$1,474,480	\$1,574,000	\$1,136,011	\$651,620	\$929,000	\$864,750	\$859,500	\$867,750
Non-Exempt Interest	579,843	525,781	520,514	460,247	387,546	426,174	398,893	479,853	450,010	411,203
Short Term Interest	98,133	59,140	14,005	158,844	37,800	5,971	25,835	0	60,000	60,000
Exempt Interest	1,287,280	1,248,330	1,234,737	1,056,358	1,144,640	1,029,994	802,120	845,792	751,081	662,817
Exempt Principal	1,820,000	1,784,000	1,986,771	1,849,722	1,855,365	1,958,786	2,268,491	2,046,250	2,029,000	1,745,750
Total Expenses	\$5,815,256	\$5,359,141	\$5,230,507	\$5,099,171	\$4,561,362	\$4,072,545	\$4,424,339	\$4,236,645	\$4,149,591	\$3,747,519

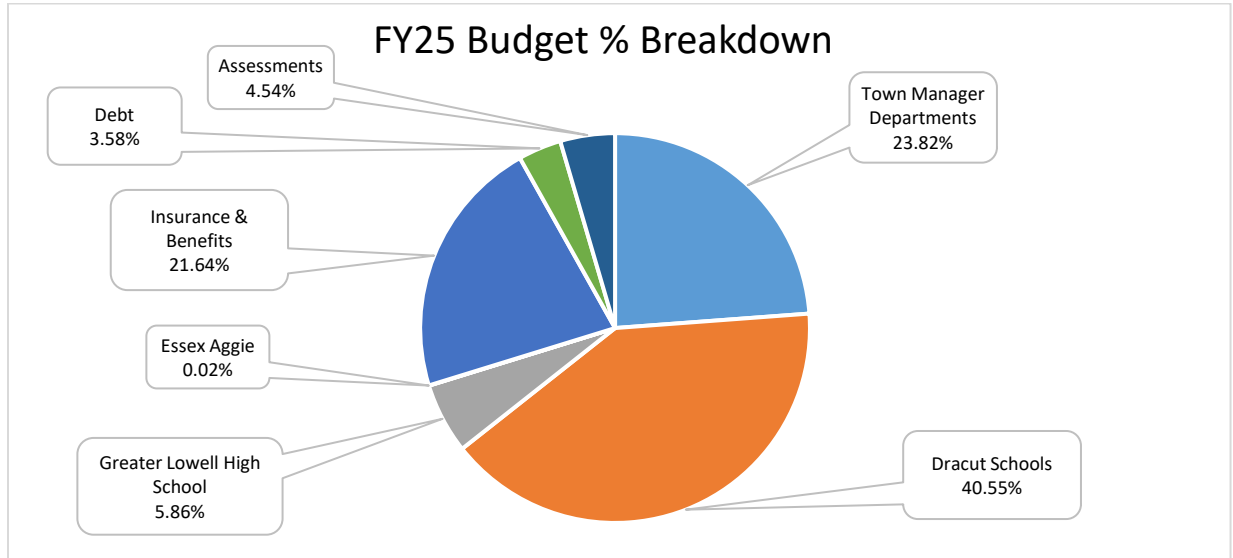
Insurance & Benefits	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Medicare & FICA Tax	\$548,759	\$525,978	\$551,655	\$577,227	\$567,407	\$630,458	\$704,813	\$627,541	\$800,000	\$825,000
Middlesex Retirement System	3,905,091	4,176,277	4,537,213	4,726,624	5,270,085	5,727,650	6,071,234	6,560,528	7,223,000	7,689,843
Workers Compensation Insurance	284,270	401,321	459,147	357,334	308,247	294,432	295,375	328,181	440,000	425,000
OPEB	100,000	100,000	125,000	125,000	0	0	0	0	0	0
Unemployment Insurance	91,773	39,400	45,683	62,954	43,829	68,307	71,490	57,246	96,000	98,880
Administrative Expense	7,850	7,929	900	10,864	43,863	850	2,175	11,963	10,000	10,000
Health Insurance	8,773,745	8,955,628	8,911,141	8,870,010	9,277,063	9,214,314	8,672,650	9,920,770	11,170,000	12,251,320
Employee Wellness	0	0	0	0	0	0	0	8,176	10,000	10,000
Life Insurance	38,901	43,327	60,822	52,536	65,967	45,417	50,334	50,176	66,000	66,000
Dental Insurance	369,796	400,535	408,307	404,287	383,264	420,000	413,094	384,307	450,000	470,000
Property & Liability Insurance	409,186	386,526	427,803	439,097	492,137	504,357	610,410	650,491	735,000	800,000
Total Expenses	\$14,529,371	\$15,036,921	\$15,527,671	\$15,625,933	\$16,451,862	\$16,905,784	\$16,891,575	\$18,599,379	\$21,000,000	\$22,646,043

State Assessment	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Special Education Assessment	\$226	\$3,662	\$13,883	\$42,392	\$12,848	\$11,266	\$11,308	\$13,827	\$14,380	\$7,125
Mosquito Control Projects	56,196	65,476	68,657	67,775	73,829	73,998	76,476	78,409	78,874	84,602
Air Pollution Control	8,081	8,283	8,417	8,641	8,972	9,076	9,299	9,595	9,920	10,168
RMV Non-Renewal Surcharge	32,620	32,620	35,460	35,460	32,720	32,280	21,140	29,080	29,080	31,580
School Choice Assessment	108,837	162,481	308,111	553,803	401,039	275,190	286,247	387,072	423,451	372,889
Charter School Assessment	2,244,902	2,416,395	2,762,704	2,871,218	2,833,734	3,244,679	3,402,297	3,738,947	3,955,000	4,006,779
LRTA Assessment	201,130	202,375	189,536	209,323	214,549	219,827	221,819	228,252	235,188	239,482
Total Expenses	\$2,651,992	\$2,891,292	\$3,386,768	\$3,788,612	\$3,577,691	\$3,866,316	\$4,028,586	\$4,485,182	\$4,745,893	\$4,752,625

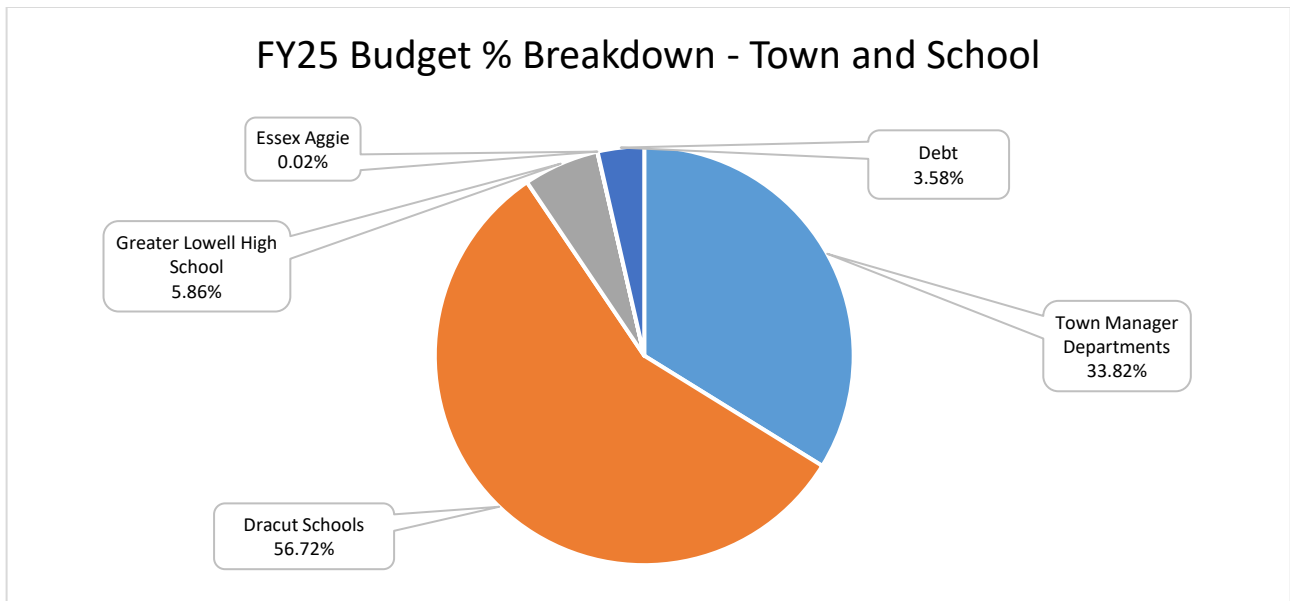
Total All Expenses	\$74,222,981	\$76,411,429	\$78,547,424	\$79,514,454	\$82,585,917	\$84,563,603	\$88,624,079	\$94,394,145	\$101,731,606	\$104,666,470
---------------------------	---------------------	---------------------	---------------------	---------------------	---------------------	---------------------	---------------------	---------------------	----------------------	----------------------

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

The graph below shows the FY25 Budget breakdown % for each of the major categories. The school % reflected below does not include chargebacks (i.e. insurance and benefits, Assessments). Insurance and Benefits is shown as its own category.



The graph below shows the FY25 Budget breakdown % for the School, Town, Debt and Greater Lowell High School. The percentage for the Town and Schools reflects the adjustment for insurance and benefits, trash, snow, and state assessments.



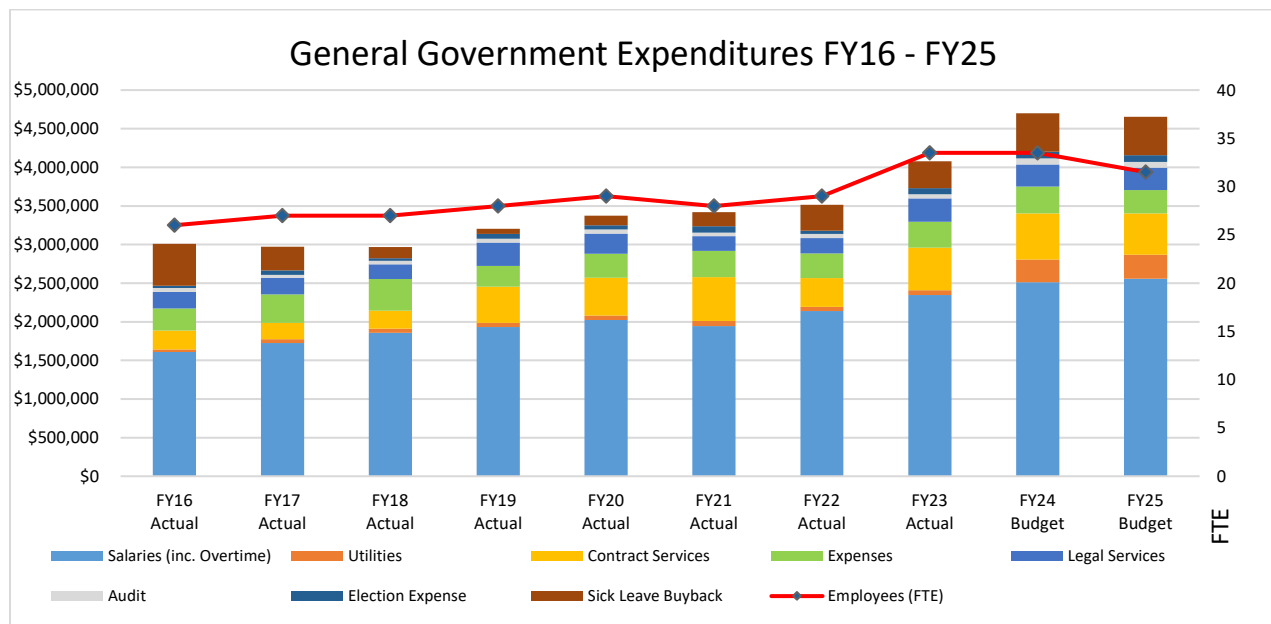
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

General Government

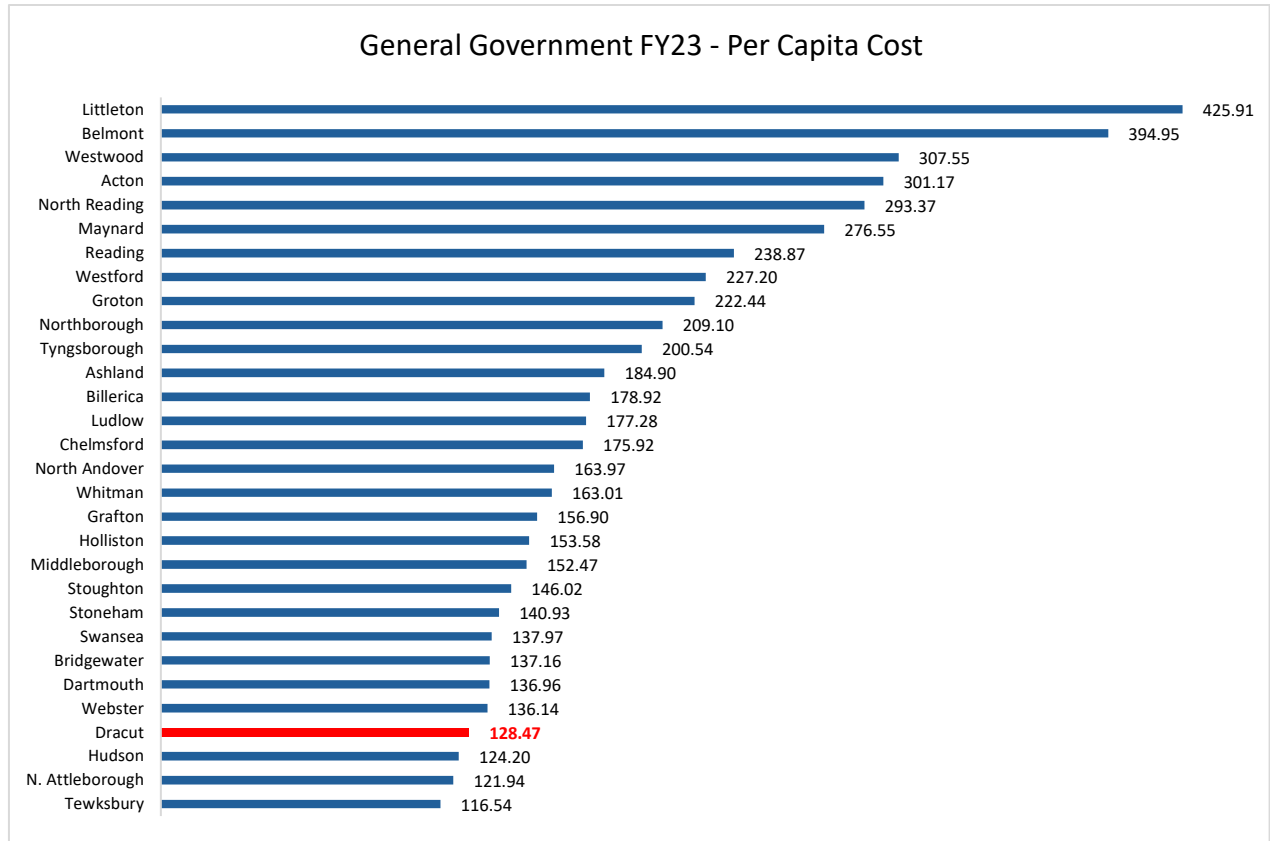
This section of the expenditures is provided for general government and support services to all Town operations and activities in many different departments. Activities included are Executive, Legislative, Personnel Services, Building Maintenance, IT, Planning, Conservation, Town Clerk and Financial Administration.

- In the graph and table below the increase in FTE and Salaries in FY23 was due to the reclassification of custodians that were being budgeted under other departments (Police, Council on Aging and Library). The increase in Utilities in FY24 was due to the reclassification of Electric, Gas, Water and Sewer expenditures that were being budgeted under other departments (Police, Fire, Council on Aging and DPW).

General Government	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries (inc. Overtime)	\$1,609,888	\$1,723,004	\$1,857,515	\$1,932,111	\$2,024,320	\$1,944,726	\$2,140,877	\$2,347,172	\$2,513,038	\$2,559,456
Utilities	33,047	53,357	52,649	55,611	58,196	64,981	52,478	60,619	295,000	310,000
Contract Services	244,117	208,033	233,245	464,501	486,790	569,041	373,791	550,405	593,800	531,800
Expenses	283,924	370,787	410,697	271,453	312,918	338,682	316,431	337,682	347,135	305,535
Legal Services	218,290	214,685	190,185	301,825	260,947	192,574	198,963	303,838	290,000	290,000
Audit	46,250	36,750	44,750	50,250	50,750	45,000	56,030	51,500	75,000	75,000
Election Expense	29,347	58,025	35,166	61,827	57,697	83,225	39,673	78,601	87,000	84,400
Sick Leave Buyback	543,273	305,601	145,388	65,777	120,852	183,247	335,661	349,187	500,000	500,000
Total Expenses	\$3,008,136	\$2,970,242	\$2,969,595	\$3,203,355	\$3,372,470	\$3,421,476	\$3,513,905	\$4,079,005	\$4,700,973	\$4,656,191
Employees (FTE)	26	27	27	28	29	28	29	33.5	33.5	31.5



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Dracut's per capita cost = \$128
Average per capita cost = \$198
Median per capita cost = \$170

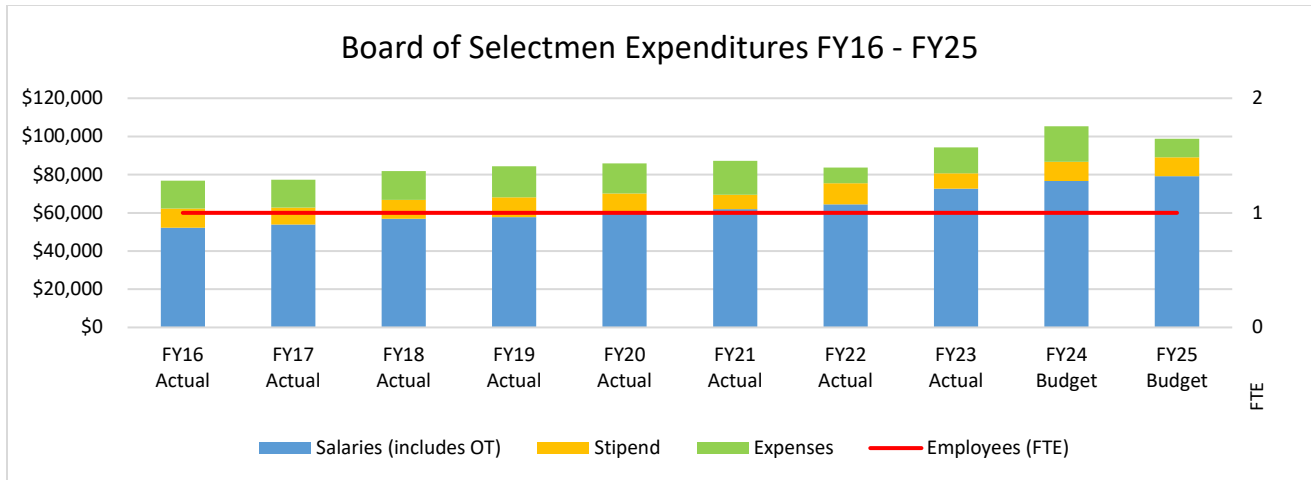
Town Moderator

The Town Moderator (elected every 3 years) serves as the presiding officer of all regular and any special Town Meetings including adjourned sessions thereof. The Town Moderator receives an annual stipend of \$550.

Board of Selectmen

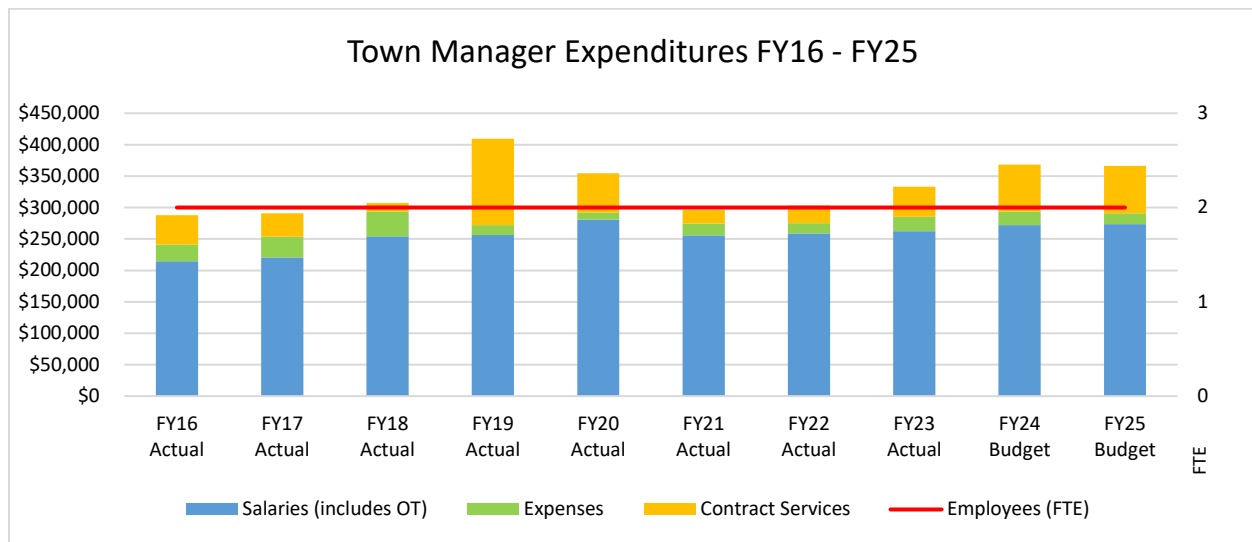
The Board of Selectmen are the chief elected officials of the Town and are vested with all executive powers under the Municipal Charter. The Board also serves as licensing authority for the Town and as a Special Permit Granting Authority under the Zoning Bylaw. Expenses associated with the Board and its office operations are included in this account as well as dues for external organizations to which the Town belongs. The Board of Selectmen have a full-time Admin that supports the day-to-day operations. The Board of Selectmen receive an annual stipend of \$2,000 each.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Town Manager

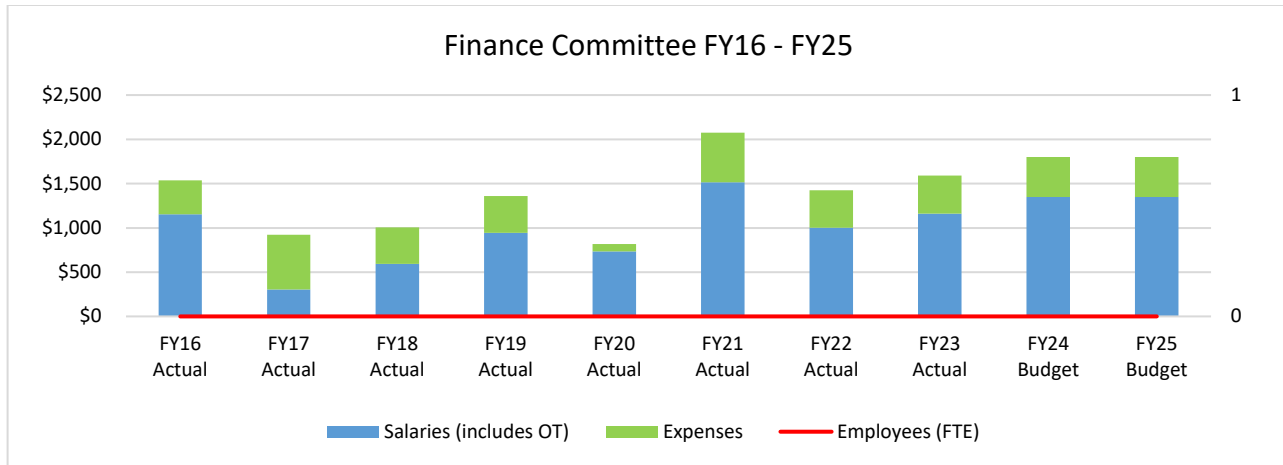
The Town Manager is appointed by the Board of Selectmen pursuant to the provisions of the Town Charter, the Town Manager is the principal appointed official and full-time head of the Town Government. The Town Manager is responsible for designating and monitoring the heads of various departments, committees, and groups, enforcing policies and regulations related to personnel and other matters. This account reflects cost and expenses associated with the operation of the Town Manager's Office, as well as support services to several Board and Commissions for which there are not individual appropriations.



Finance Committee

This account includes funds for overtime administrative salary and expenses associated with the Finance Committee. The Finance Committee is appointed by the Town Moderator and has specific review and recommendation responsibilities to the Town Meeting with respect to the annual town budget and other financial matters of the town.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Finance Department

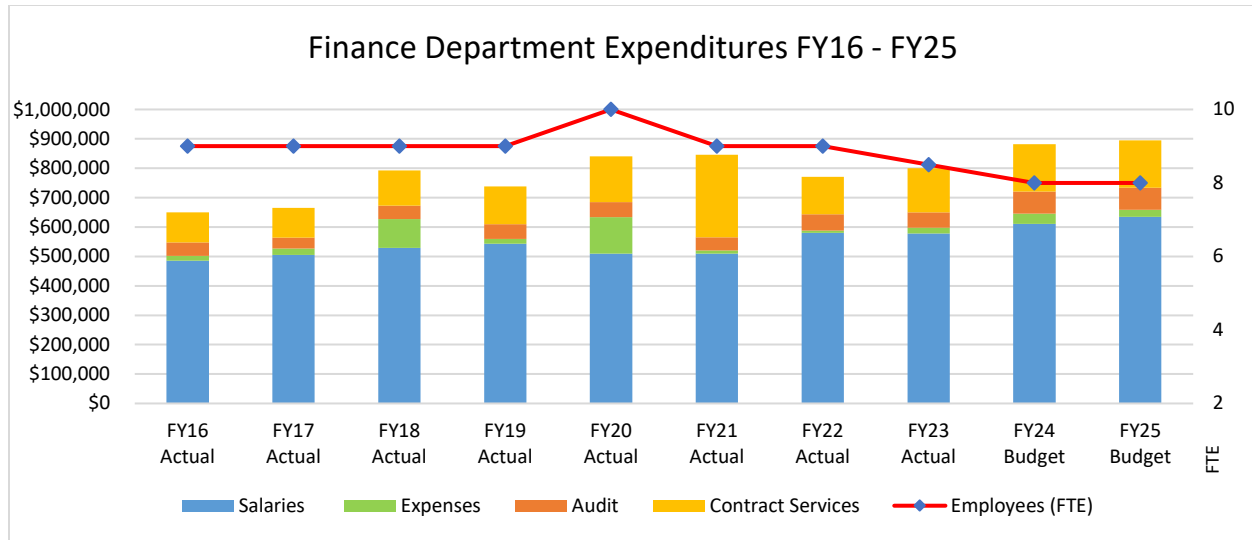
The Finance Department includes the following divisions: Assistant Town Manager, Accounting, Treasurer, Collector, Payroll and Procurement. The Finance department was restructured, eliminating a full-time position in the Collector's office in FY23 and Treasurer's office in FY21 with the hiring of the Procurement Officer and Assistant Town Manager, Finance Director/Town Accountant.

The Assistant Town Manager, Finance Director and Accounting division approves and prepares all warrants for payments for the Town and School from the Town Treasury, supervises and maintains all accounting records, performs on-going audits of accounts, prepares monthly financial reports, and assists the Town Manager with the preparation and administration of the Town Budget and other functions. The Assistant Town Manager, Finance Director also provides support to the Finance Committee, Community Preservation Committee, Capital Expenditure Committee and Permanent Building Committee, and oversee all capital Town projects with the assistance of other departments.

The Treasure's office is charged with all disbursement activities of the Town including the payment of all warrants (both Town and School payroll and expense), investment of funds, insurance and benefits, tax title accounts and borrowing of funds as necessary. The office of the Tax Collector is responsible for preparing, mailing and quarterly collection of all real property taxes, liens, water and sewer charges, and motor vehicle excise taxes due to the Town. The Tax Collector office offers online payments, but they also see a large volume of traffic at the Collector's window for residents to pay their taxes and answer questions. The Procurement Officer oversees all procurement of services for the Town and Capital projects according to MGL Chapter 30B. This position was added in 2020 in response to the findings by the State regarding the procurement issues.

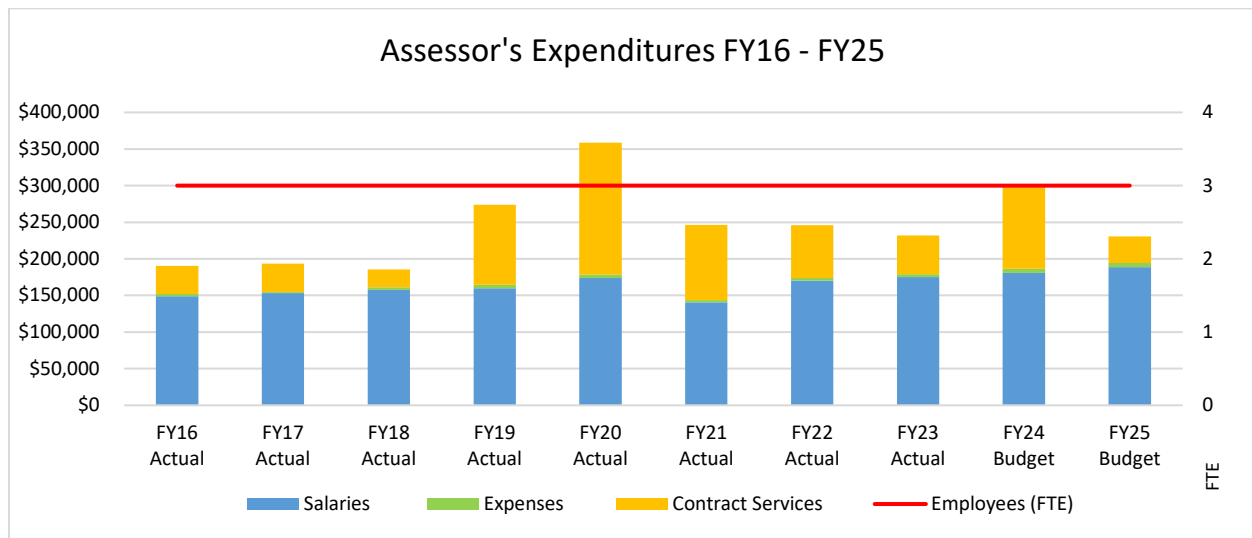
Besides salaries, wages and office expenses, funds are included in the Finance Department for the annual Town Audit, Fixed Asset Accounting, tax title foreclosure fees, contractual services for Vadar (financial software), Harpers (payroll software), Kelly and Ryan (tax bill printing vendor, includes postage to mail bills).

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Assessor's Department

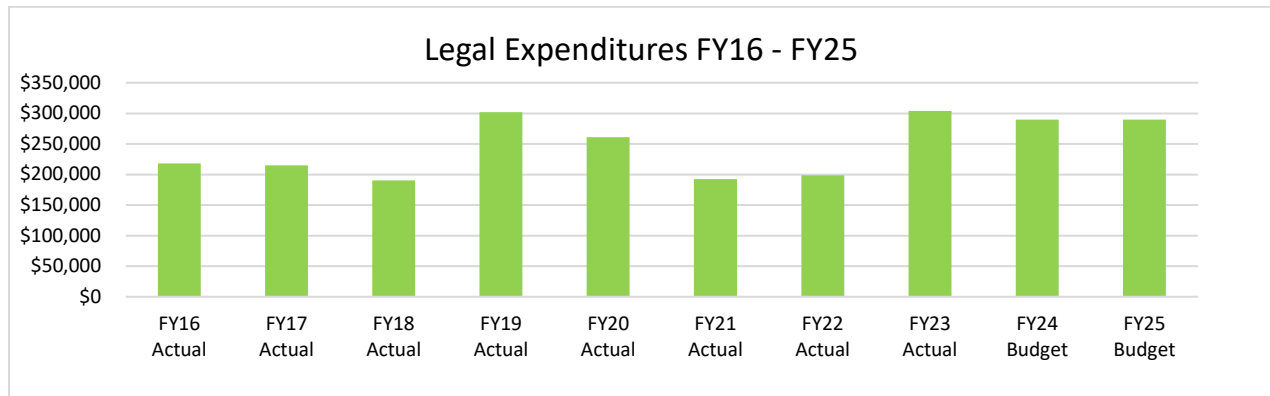
The Assessor's office is charged with the responsibility for the annual valuation of all real and personal property, excise taxation levy in the Town, the five-year cycle revaluation, and the maintenance and updating of all assessment records and changes thereto. The Assessor's office is also responsible for reviewing property and motor vehicle tax exemptions and abatements, managing the overlay account, and providing new growth estimates during the budget process. The Assessor's office is responsible for reviewing, inspecting and revaluing property improvements, developments, and redevelopments. Funds are included in contract services for Vision Government Solutions for the Assessors software and appraisal services. The Assessor's department also sees a high level of resident traffic at the window.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

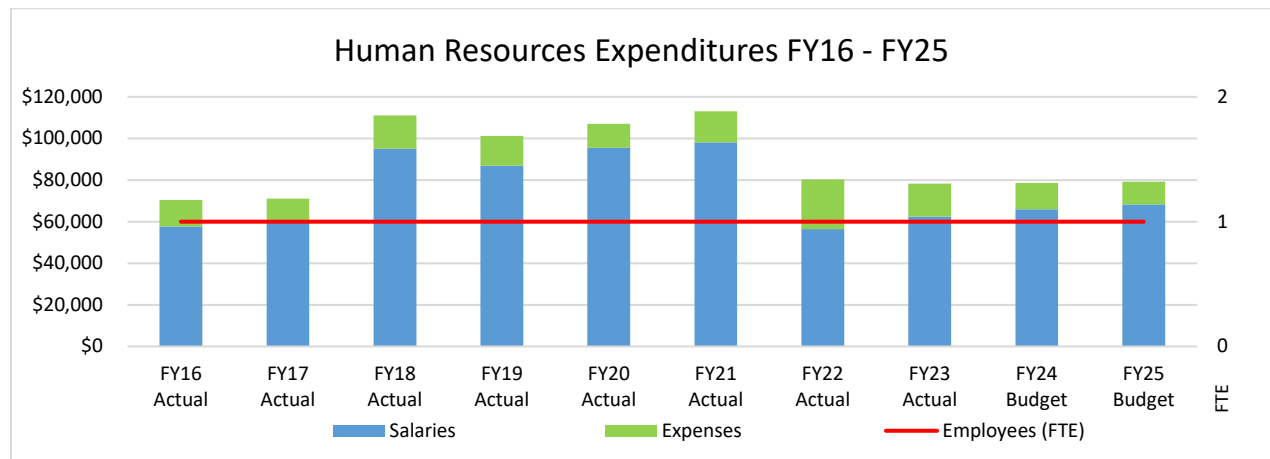
Legal Fees

Town Counsel and Labor Counsel is appointed by the Board of Selectmen and provides legal advice to the Board, Town Manager and Departments of the Town. This office prepares and reviews by-laws, reviews contracts and agreements, defends the Town in legal actions brought against it and initiates legal actions on behalf of the Town when necessary. The Board of Selectmen also appoints special counsel to represent the Town in matters outside of the purview of general counsel. Costs and expenses associated with the provision of these professional services are reflected in this account, as would be costs for special counsel if engaged for a specific purpose, i.e., Special Cannabis Counsel or Tax Title Counsel.



Human Resources

The Human Resources Generalist implements the town personnel policies and collective bargaining agreements, Massachusetts and Federal Laws related to employment law. The person works cohesively with the Treasurer's Office and communicates with the business office at the School Department to ensure proper documentation and other sensitive information is accurate and protected. The Human Resources Generalist oversees personnel records, Town and School insurance and benefits, the Town's Workers Compensation, and Injured on Duty insurance. The Human Resources Generalist also assists retirees with enrollment and questions on health and dental insurance matters. The department also works very closely with the Town Manager, Assistant Town Manager and Labor Counsel on any personnel matters.



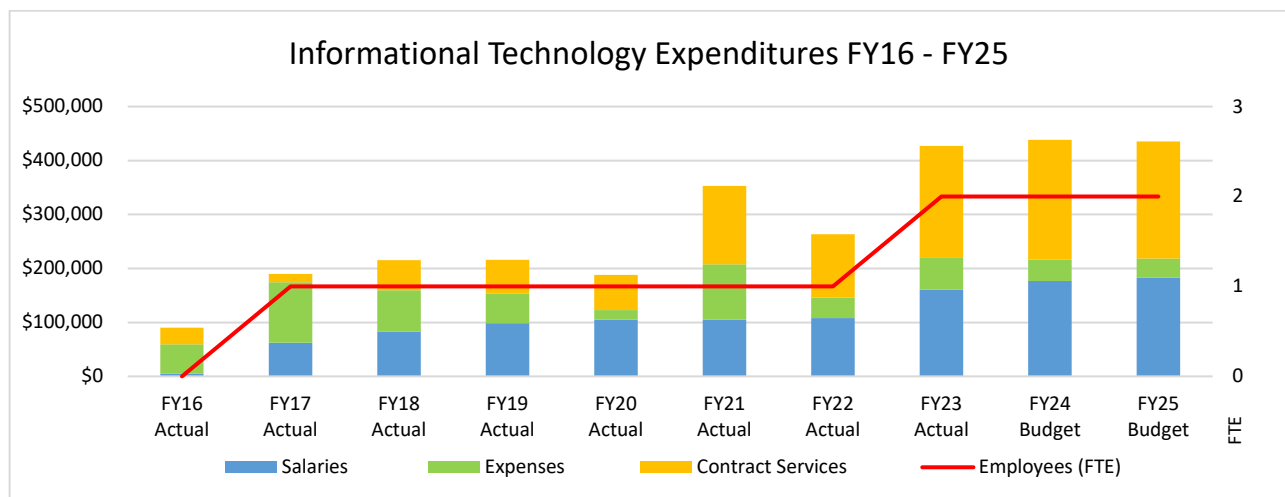
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Information Technology

The budget for the Information Technology Department (IT Director) encompasses the resources required to sustain two full-time IT staff members. This dedicated team is responsible for providing comprehensive support to all town departments, including public safety services, but excludes the schools. Notably, the addition of a second full-time, in-house Assistant IT Technician in Fiscal Year 2023 has enabled the department to discontinue reliance on a third-party Managed Service Provider (MSP) which was previously assisting with the technical support for the public safety departments.

Furthermore, the budget encompasses service contracts covering essential software components. This includes cybersecurity software to ensure the integrity and security of municipal data, Office productivity suites such as Office 365, and other municipal software essential for various departments, such as permitting software, bill payment software, and resident engagement software.

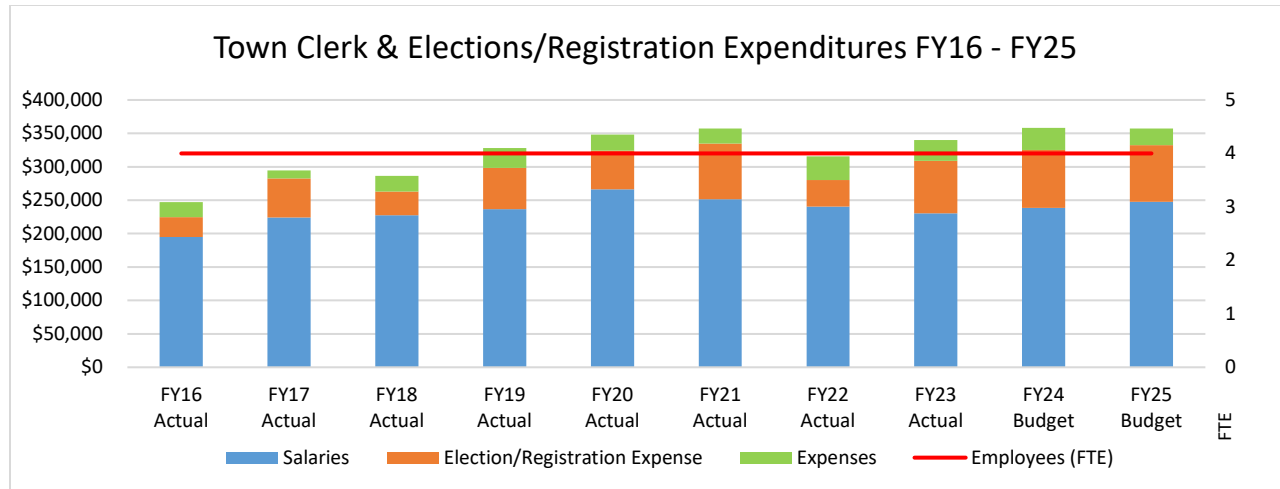
Lastly, the budget also includes expenses for essential technology needs which encompasses the purchase of computers, networking devices, servers, and associated licensing. These investments are crucial for maintaining the municipality's technological infrastructure, ensuring efficiency, reliability, and security across all departments.



Town Clerk and Elections & Registrations

Besides election registration activity, the Town Clerk's Office has responsibilities for record maintenance, conducting the annual census and issuance of certain licenses, i.e., marriage, animal, fishing, and raffle. The Town Clerk is also responsible for the annual Report, Federal, State and Town Elections and Town Meetings, records Town Meeting Votes and sends accepted bylaws to the Attorney General's office for approval. Certifies votes of all Town Meeting actions, as required. Prepares calendar for annual and special town meetings. Prepares voter list for checking voters into town meetings, keeps records of attendance. Due to the state law changes and unfunded mandates, early and mail-in voting is now a requirement, which has increased the cost and workload of this department. The Town Clerks office sees a large volume of traffic that comes to the window for residents who want to license, register to vote or various other questions or issues.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

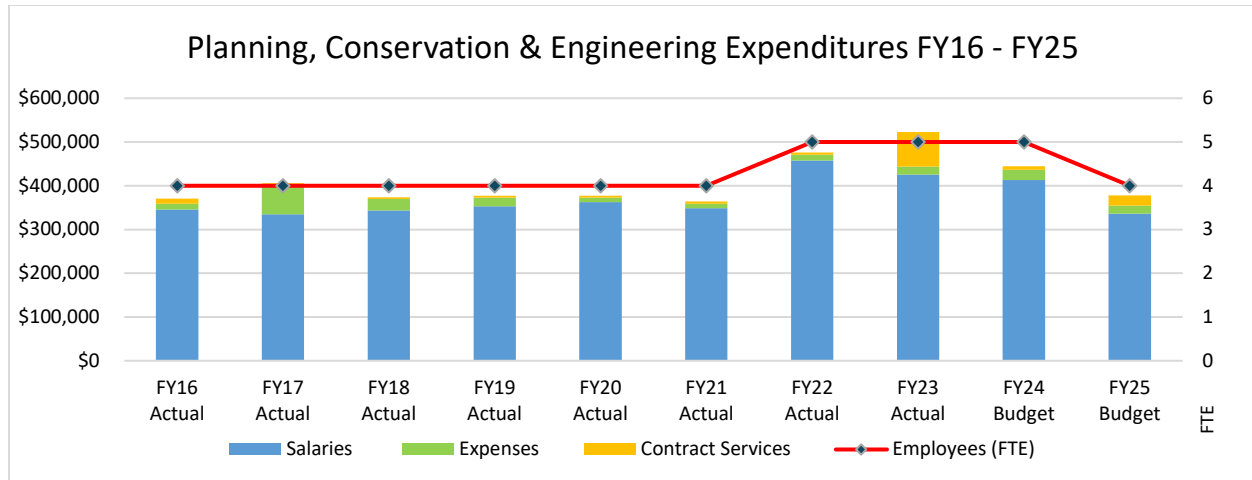


Planning, Conservation & Engineering

The Planning, Conservation, and Engineering divisions are overseen by the Community Development Director. The Department assists with design, specification preparation, inspection, and contract administration on a variety of improvement projects, consults with other Town Departments on engineering matters and provides plan review services to boards and committees. The Director assists landowners, attorneys, engineers, real estate agents, and potential buyers in navigating the development process, collaborates with regional planning for policy and funding decisions, and provides support for the planning and economic development of the entire town. The Community Development Director also supports the Zoning Bylaw Review Committee, Community Preservation Committee, Planning Board, Zoning Board of Appeals, Economic Development Committee, Affordable Housing Partnership, and Conservation Commission. An Economic Development Coordinator was added in FY22, but this position was eliminated in the FY25 budget.

The Planning Board frequently serves as a Special Permit Granting Authority under the Zoning By-Law and is responsible for Subdivision Permits and Zoning Bylaw Amendments. The Zoning Board of Appeals is responsible for appeals of the Building Inspector’s decisions, dimensional variance requests under the Town Zoning By-laws and Comprehensive Permit Applications under State Law. The Conservation Commission is charged with specific responsibilities for the protection of wetlands and oversight of development near wetlands in the Town. The Dracut Conservation Agent and Dracut Conservation Commission administer the Massachusetts Wetlands Protection Act (M.G.L 131, section 40) and the Dracut Wetland Bylaw. The Commonwealth of Massachusetts was one of the first states in the nation to recognize the importance of wetlands and to develop regulations that protect them. Prior to reorganization the Conservation division fell under the Recreation Director.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



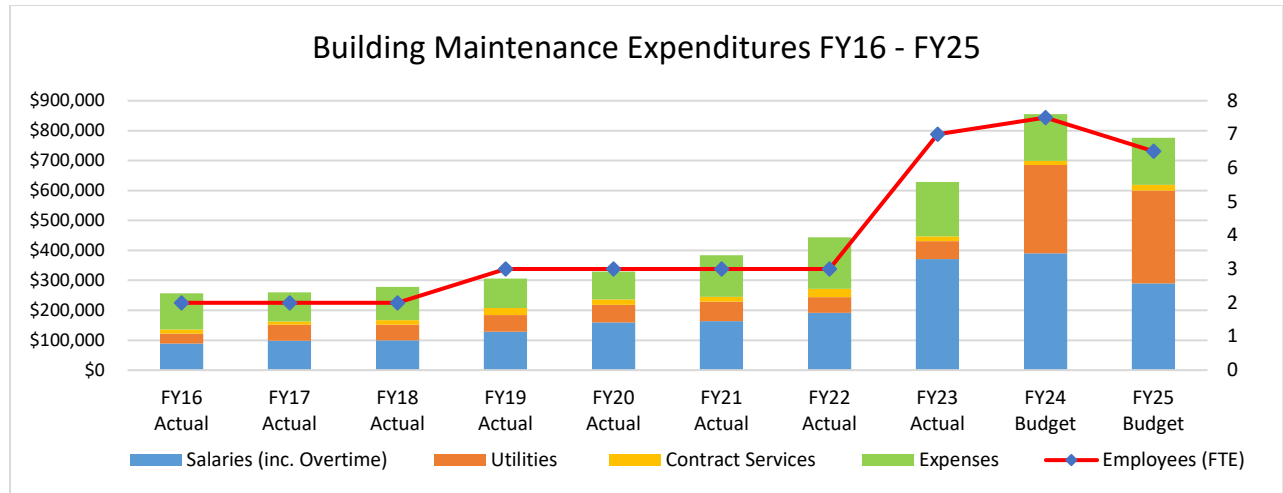
Building Maintenance

The Building Maintenance department is responsible for the upkeep, maintenance, and cleaning of all municipal Town buildings (Town Hall, Library, Fire, Police, DPW and COA), as well as the bathrooms at the various Town Parks. Salaries in this fund are for the building maintenance supervisor and 4 full-time custodians and 3 part-time custodians. Although the Firefighters clean their own station, this department does support the fire stations when it comes to building maintenance issues. It should be noted that our building maintenance supervisor is also a licensed plumber, which allows the Town to utilize his experience and expertise when it comes to plumbing issues and repairs, that would normally have to be contracted out. The Building Maintenance Supervisor is also responsible for communicating and working with many contractors and service providers in the maintenance and upkeep of the buildings. Recently the Town has experienced some major repairs to various buildings heating and HVAC units, and the expertise of the Building Maintenance Supervisor in understanding these issues was critical in the repair and replacement of these components.

Prior to FY23, salaries for all custodians were funded under their respective departments. In FY23, a change was made to reclassify them all under one department, which would account for the increase in FTE in Building Maintenance and decrease in FTE in other departments. Building maintenance includes expenses associated with the repair and up-keep of town municipal buildings. Included are funds for energy supplies (electricity and gas), non-energy utilities (water and sewer), except the library, are included in this department. In FY24, a change was made to reclassify utilities under one account, where prior to that they were budgeted in the individual departments. Expenses also include central duplicating, maintenance equipment and improvements, maintenance material and supplies, ground maintenance and material, equipment rental, custodial supplies, postage, telephone, and service contract. Service contracts include fire alarm systems, copy machines, postage machine, elevator inspections and energy management system. As part of the FY25 budget reductions, the Town did eliminate the Assistant Building Supervisors position.

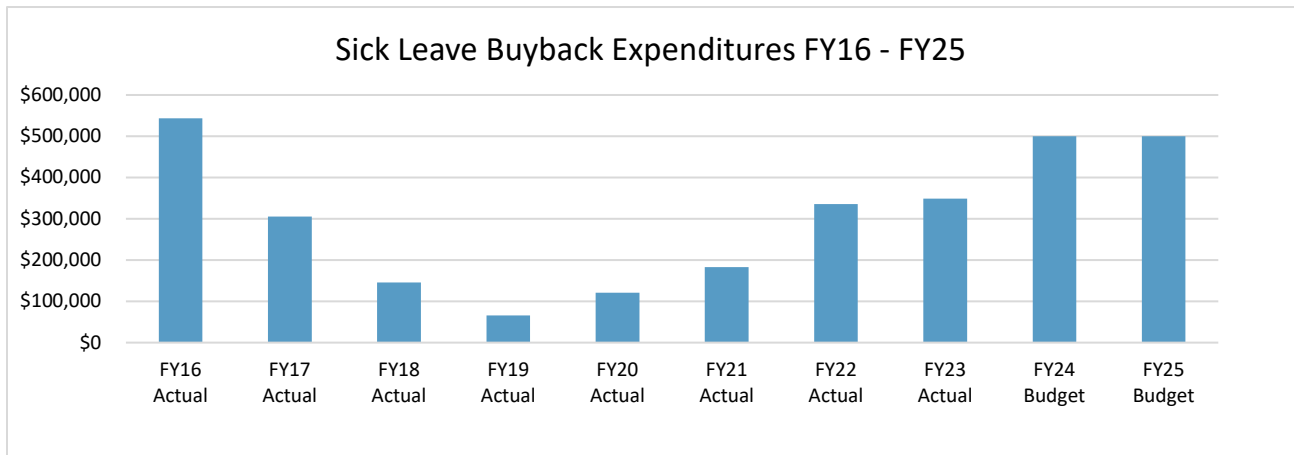
- *In the graph below the increase in FTE and Salaries in FY23 was due to the reclassification of custodians that were being budgeted under other departments (Police, Council on Aging and Library). The increase in Utilities in FY24 was due to the reclassification of Electric, Gas, Water and Sewer expenditures that were being budgeted under other departments (Police, Fire, Council on Aging and DPW).*

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Reserves and Sick Leave Buyback

Although a great deal of time and effort is put into the preparation of the budget, not all circumstances can be forecasted or predicted. Reserve funds are those funds included in this account for unforeseen contingencies and for purposes requiring further specific decisions. Examples of deficits the Town has seen in the past are Vehicle Fuel, Police and Fire Overtime, Elections and Registrations. For FY24 and FY25, the Town has also reserved salary funds for contracts that remain under negotiation. Sick Leave Buyback payments are made to employees who retire from the Town in accordance with the Town By-Law or Union Contracts.



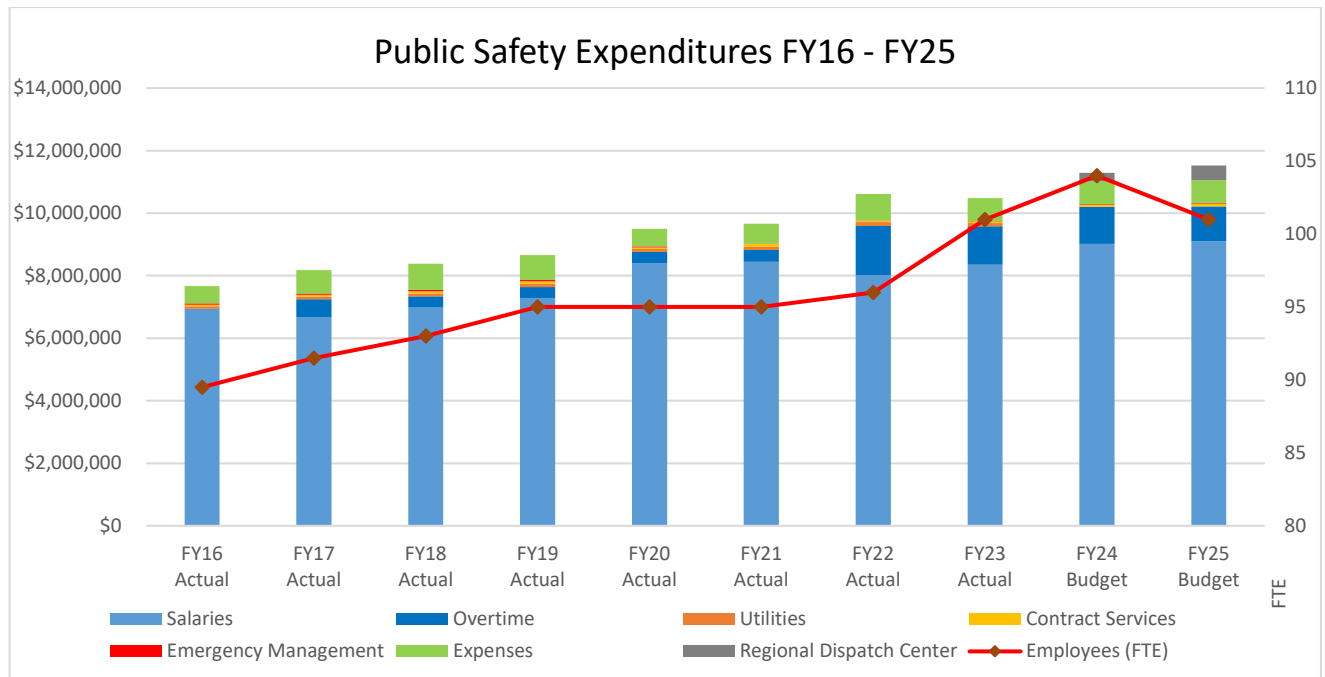
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Public Safety

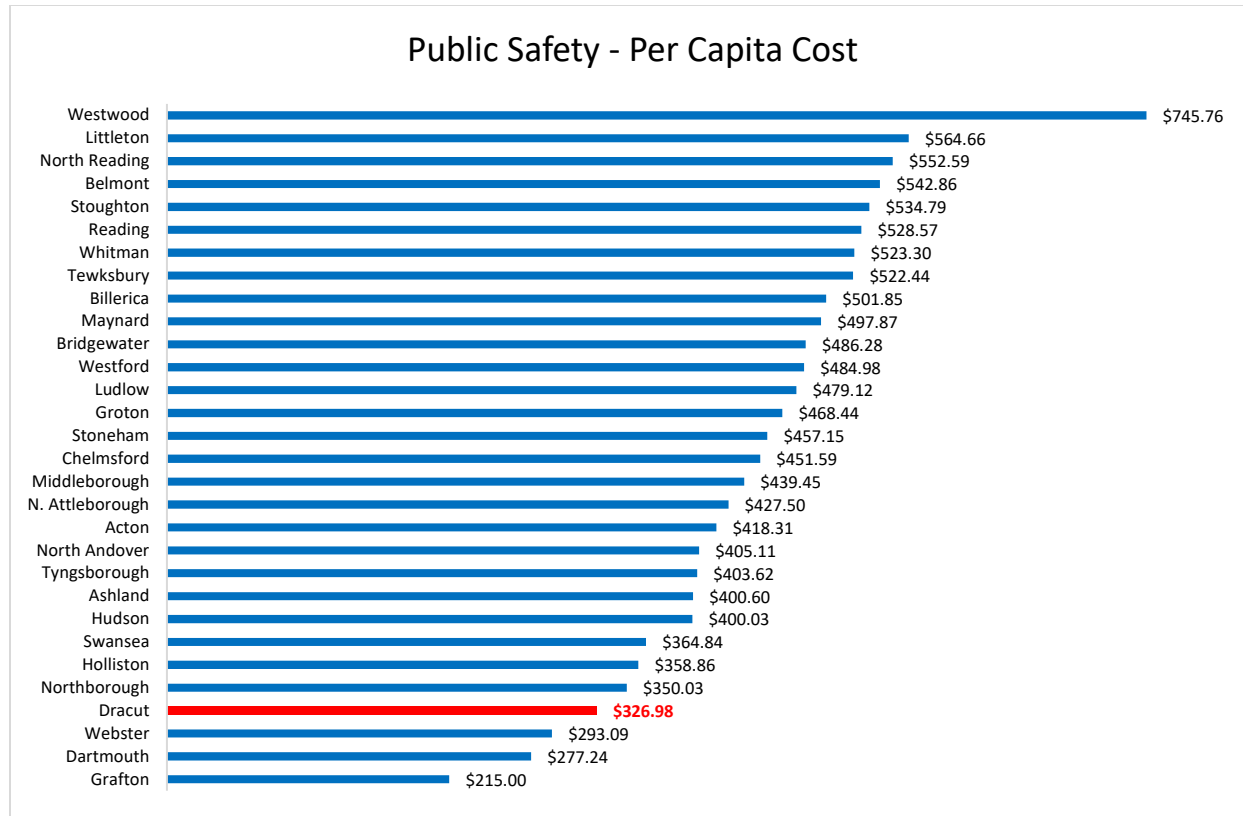
This section of the expenditures is provided for Public Safety salaries and expenditures for activities in Police, Fire, Emergency Management, Building (includes plumbing/gas and electric/wiring inspectors), Animal Control and Regional Dispatch Center.

- In the graph and table below the decrease in FTE and salaries in FY23 was due to the reclassification of custodians that were being budgeted under the police department. The decrease in utilities in FY24 was due to the reclassification of Electric, Gas, Water and Sewer expenditures that were being budgeted under Police and Fire.*

Total Public Safety	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$6,940,677	\$6,666,201	\$6,976,593	\$7,288,474	\$8,401,221	\$8,392,810	\$8,019,527	\$8,350,874	\$9,015,566	\$9,095,370
Overtime	0	576,098	364,946	351,658	362,699	381,780	1,575,260	1,228,925	1,187,766	1,123,348
Utilities	85,967	90,491	93,034	99,415	87,694	99,174	122,739	108,403	0	0
Contract Services	42,781	54,091	70,959	80,233	56,671	88,254	33,756	42,624	61,500	92,200
Emergency Management	39,986	39,936	40,776	39,338	26,498	16,456	11,171	16,208	20,000	19,500
Expenses	554,158	754,507	832,343	801,456	559,646	628,015	835,682	729,457	725,400	721,100
Regional Dispatch Center	0	0	0	0	0	0	0	0	280,000	475,000
Total Expenses	\$7,663,569	\$8,181,324	\$8,378,651	\$8,660,574	\$9,494,429	\$9,606,489	\$10,598,134	\$10,476,491	\$11,290,232	\$11,526,518
Employees (FTE)	89.5	91.5	93	95	95	95	96	101	104	101



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Dracut's per capita cost = \$327

Average per capita cost = \$447

Median per capita cost = \$454

Police Department

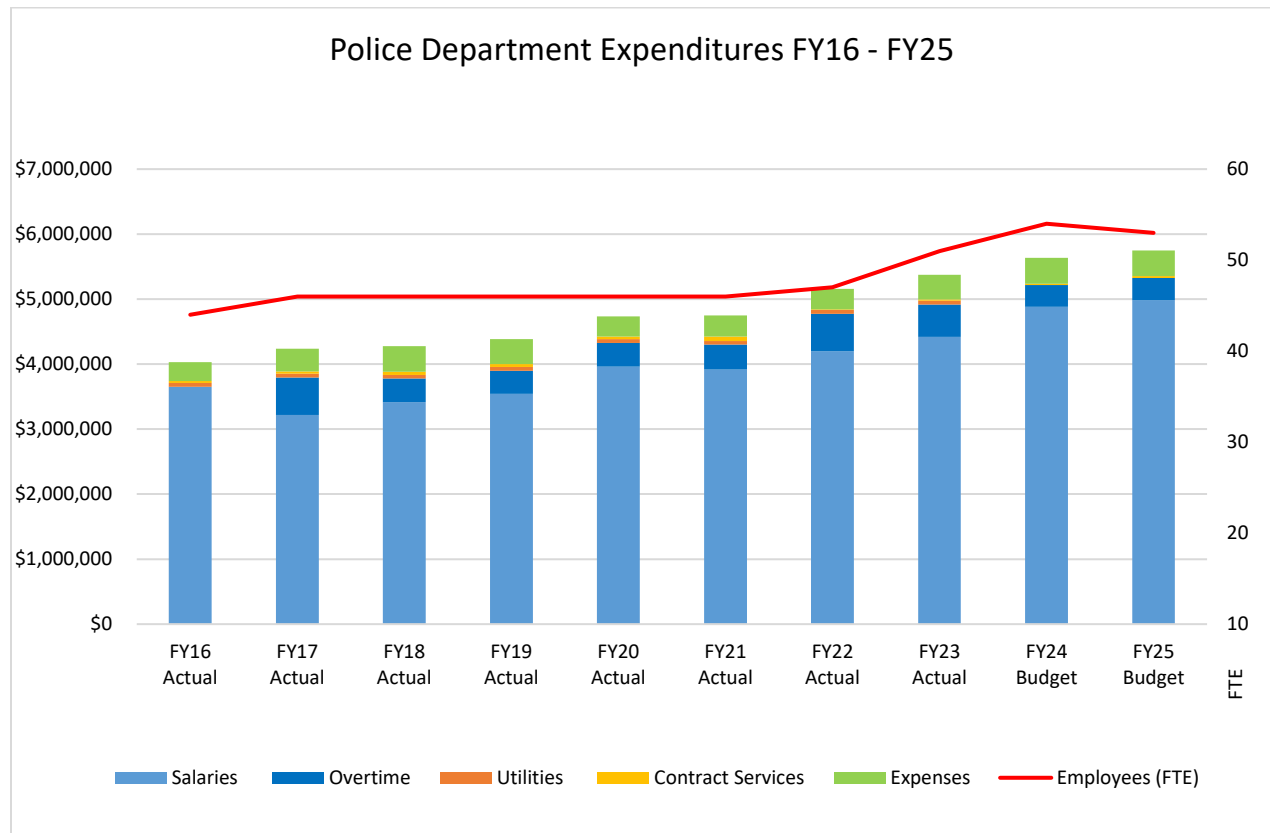
The mission of the Dracut Police Department is to provide the service of public safety to the community to whom we are sworn to protect. We do so through the judicious and professional enforcement of the laws of the Commonwealth of Massachusetts in accordance with the Constitution of the United States. We strive to maintain order, protect life and property, and provide quality and efficient police response, in a manner that demonstrates respect and dignity for the citizenry we not only serve, but from whom we ultimately derive our authority to do so.

The Town maintains a full-service (24-hour) Police Department including patrol, investigation, traffic, and safety operations. Expenditures in the Police Department include uniforms, equipment, for both sworn officers and support personnel, building maintenance for the Police Department Headquarters, vehicle repairs, onboarding for new officers, telephone, training, supplies and services, dues and publications, police safety equipment and supplies. Contracted services include elevator, copier machine, fire alarm systems, sprinkler inspection and service, public relations, and DTS licensing and maintenance. In FY23, the custodians' salaries were reclassified to the building maintenance department, as well as the expenses for utilities in FY24.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

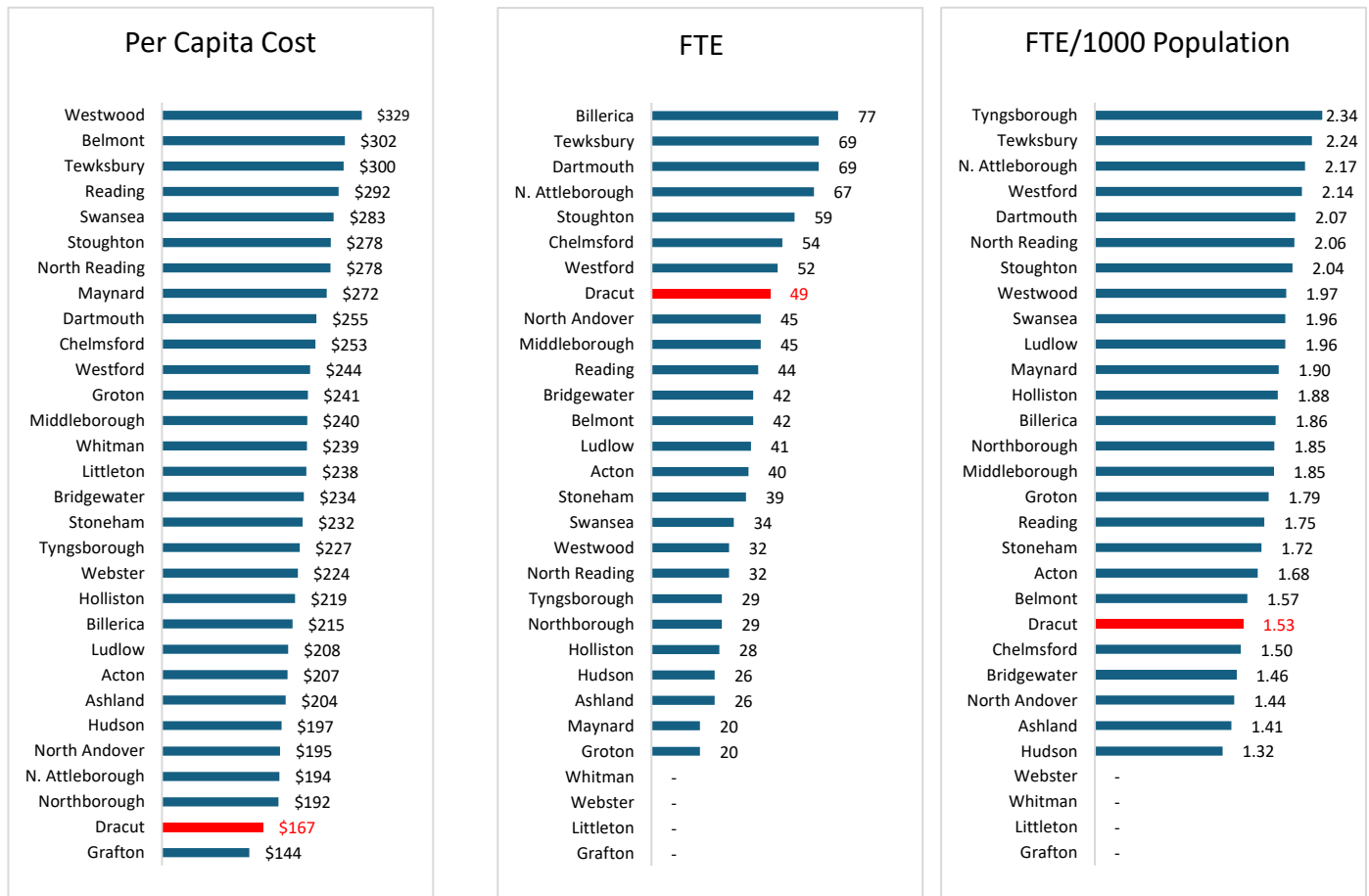
Per the MRI report conducted for the Police Department it states, “Thus to conform to the number of law enforcement officers per 1,000 inhabitants in communities in New England, Dracut should have 57 sworn full time employees to conform to the national ratio.” Currently, Dracut has 49 sworn full time officers, which include the Chief and Deputy Chief. In FY22 and FY23, the Town did increase its staffing by 3 officers each year. Currently the Town has budgeted for a Police Chief, Deputy Chief, 4 Lieutenants, 7 Sergeants and 36 Patrol Officers, along with 2 full time administrative and 3 part time staff, and a crossing guard. Due to the most recent retirements, and the requirements of Civil Service, the current staffing levels at the police department do not reflect the actual budgeted staffing to date. That said, the Police Chief is actively reviewing the Civil Service list to recruit new officers for the academy. In FY25, as part of the budget reductions the Town eliminated the police specialist administrative position.

- *The Dispatchers FTE for FY16 - FY19 are not shown in the chart below.*
- *The Dracut Dispatcher expenditures for FY16 – FY19 are shown in the chart below until FY20, when they were transitioned to the Regional Dispatch Center. The Regional Dispatch Center expenses will be shown in another section of this report.*
- *In the graph below the decrease in FTE and salaries in FY23 was due to the reclassification of custodians that were being budgeted under the police department. The decrease in utilities in FY24 was due to the reclassification of Electric, Gas, Water and Sewer expenditures that were being budgeted under Police and are now budgeted under building maintenance.*



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

POLICE DEPARTMENT – PER CAPITA AND SWORN FULL-TIME (FTE) OFFICERS



Dracut's per capita cost = \$167

Average per capita cost = \$237

Median per capita cost = \$236

- For Grafton, Littleton, Whitman and Webster – we were unable to get employee data.
- Currently the Dracut Police Department has 41 sworn officers, not including the Police Chief and Deputy Police Chief and the 6 positions vacant.

Fire Department

Dracut's Fire Department Mission Statement is to effectively and efficiently protect the lives and property of the Town of Dracut against all emergencies, natural and man-made. Through our diligence in training, we will excel in Fire Suppression, Fire Prevention, Public Education and be second to none in our Emergency Medical Services.

Dracut's Fire Department Vision statement is to be a key team player with citizens of Dracut, local businesses and other government agencies working to maintain a community we can all be proud of with a strong sense of

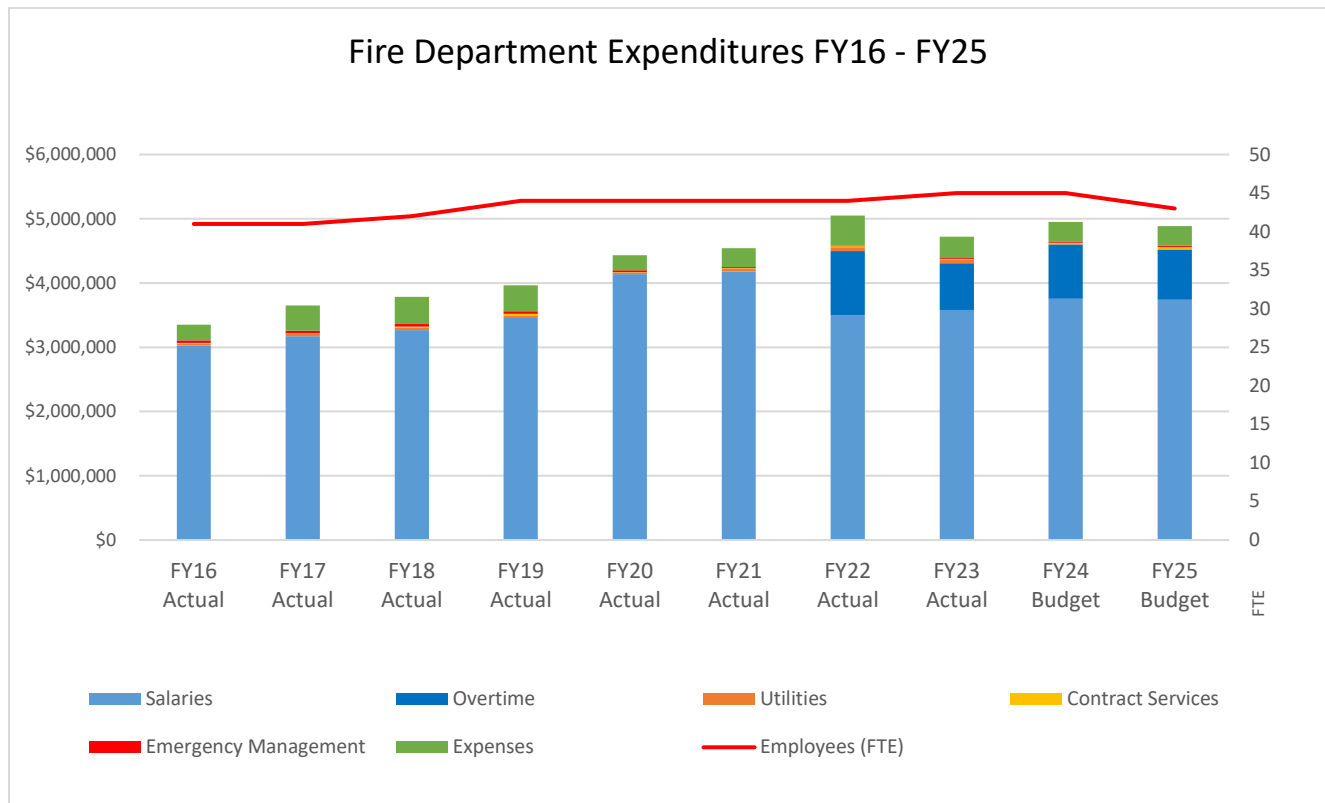
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

safety and security. Provide responsive services to the citizens by investing in training, education, staffing, and equipment. Through these continued efforts we will strive to achieve a level of service that is viewed as a benchmark within the Fire Service and shall be second to none. Dracut Fire is a team of dedicated and compassionate professionals, who are leaders in our profession and community role models.

If Dracut Fire were to conform to the number of firefighters for a community of Dracut's size in New England, Dracut would have 58 full time sworn personnel and one administrative assistant. In FY2025, the Fire Department staffing was restructured, whereby the Town did not fund the Deputy Chief and Fire Inspection position and promoted 4 firefighters to lieutenant and changed the job responsibilities of the Deputy Chief, Captains, and Lieutenants. Currently, Dracut has 43 full time employees, which include the Chief and Deputy Chief, 4 captains, 12 Lieutenants, 24 firefighters and administrative assistant.

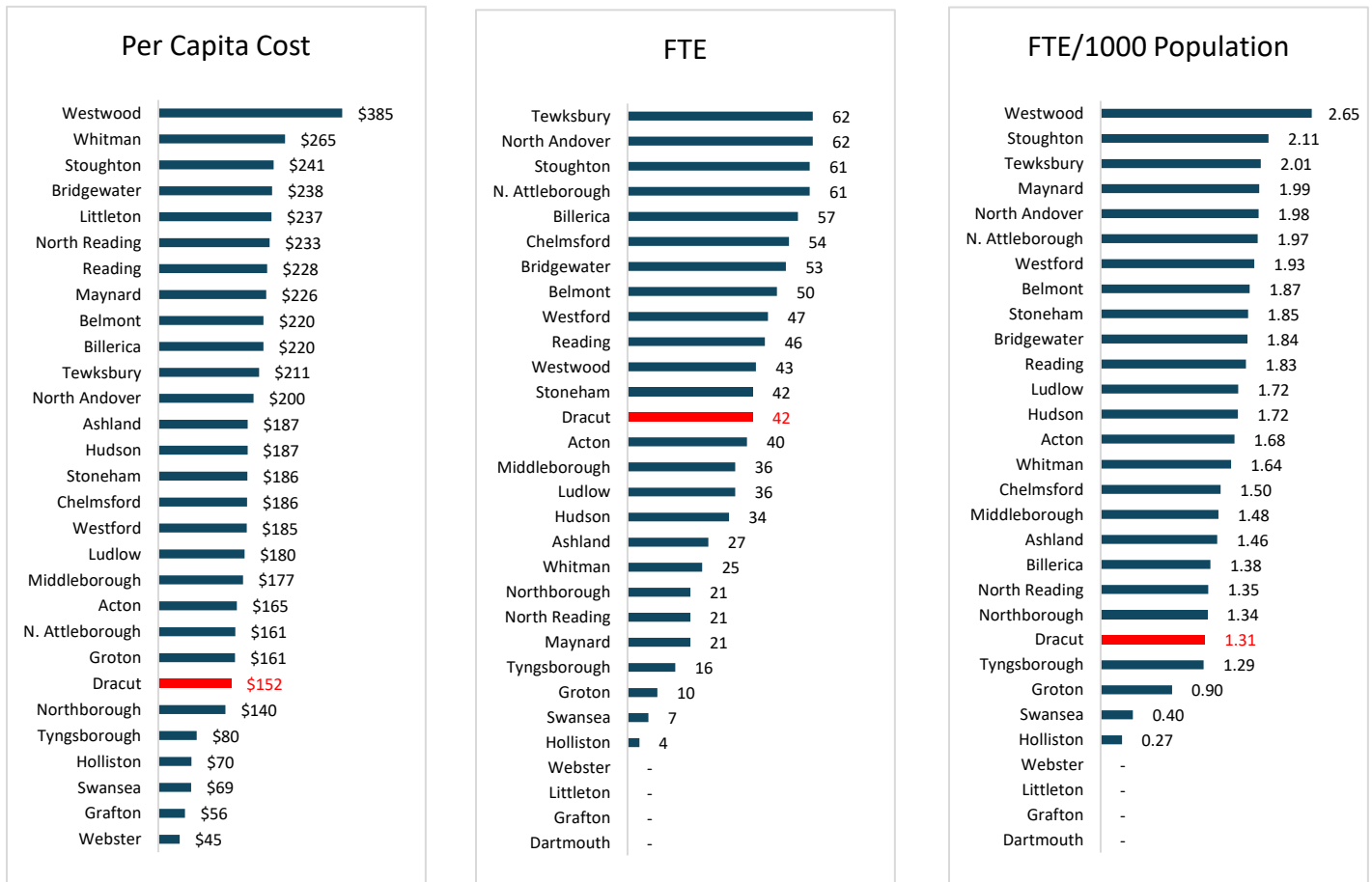
Expenses include uniforms, equipment for firefighters, building maintenance for all three fire stations, custodial supplies, medical supplies, vehicle repairs, training, telephone, supplies and services, dues and publications, Fire safety equipment and supplies. Prior to FY21, overtime earnings were included in Salaries. Coordinated with the Fire Department, a part-time Emergency Management Director (Fire Chief) is available to provide services as necessary. Emergency Management Services include a statewide network of responders whose purpose is preparation, response, and mitigation of large-scale incidents such as tornadoes, floods, and weather anomalies.

- *The decrease in Utilities in FY24 in the chart below was due to the reclassification of Electric, Gas, Water and Sewer expenditures that is being budgeted under building maintenance.*



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

FIRE DEPARTMENT – PER CAPITA AND SWORN FULL-TIME (FTE) FIREFIGHTERS



Dracut's per capita cost = \$152

Average per capita cost = \$182

Median per capita cost = \$186

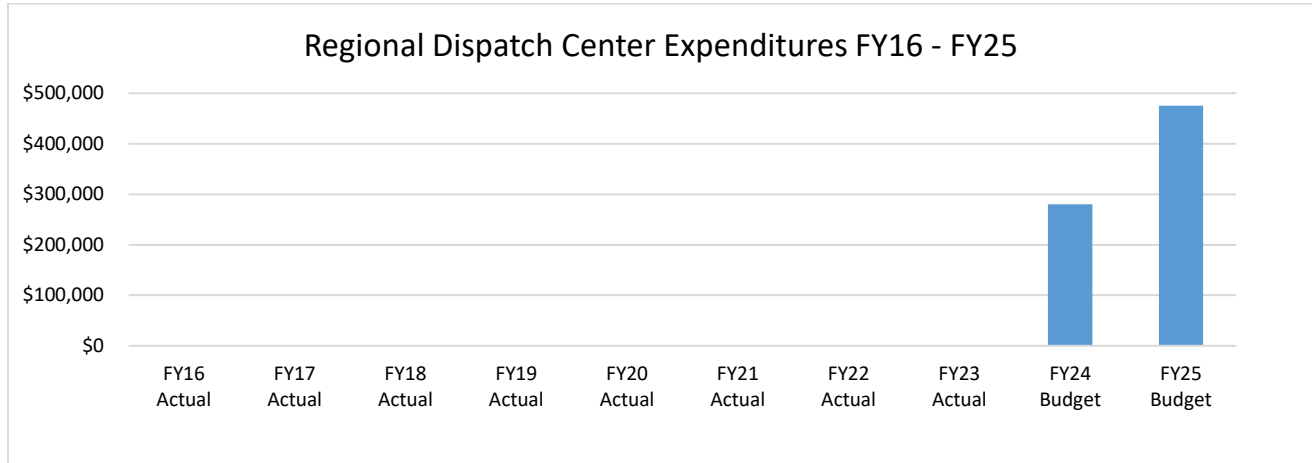
- For Webster, Littleton, Grafton and Dartmouth – we were unable to get employee data. Groton has 35 on call firefighters.

Regional Dispatch Center

Since the fall of 2020, Northern Middlesex Regional Emergency Communication Center (NMRECC) has been the primary emergency services answering point for Tewksbury Police and Fire, and Dracut Police and Fire. The Northern Middlesex Regional Emergency Communications Center District was established through the support and funding of the Towns of Tewksbury and Dracut in partnership with the Massachusetts State 911 Department and Executive Office of Public Safety and Security through a series of Grant Funding and Programs. The regional

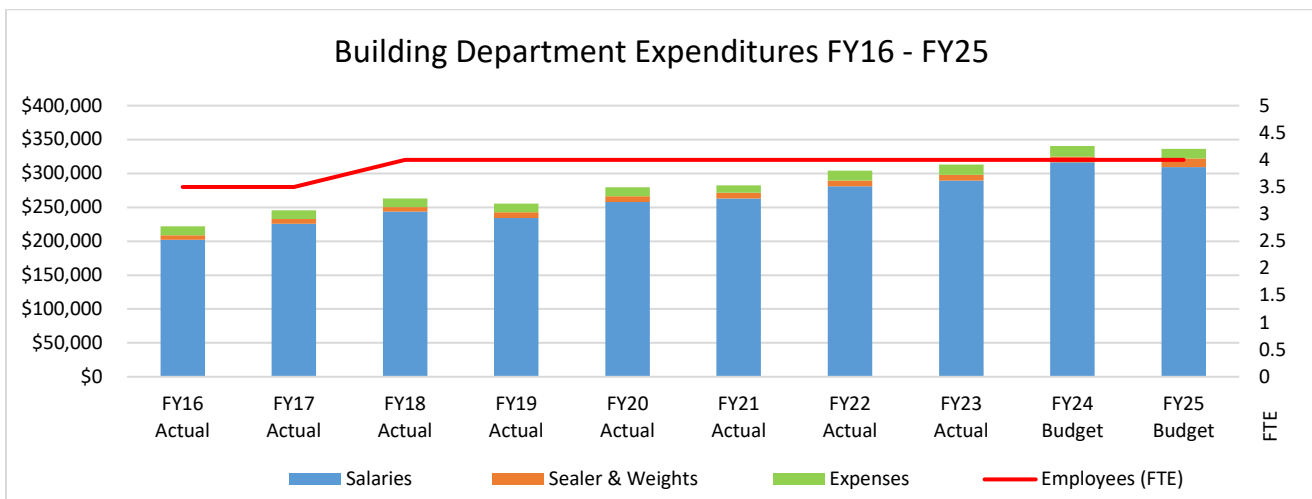
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

dispatch center costs were fully grant funded for the first three years, and that grant is now only funded at 25%. In FY26, the Town will be responsible for 100% of its share of the cost of the NMECC, which is estimated to be around \$600K.



Building Department

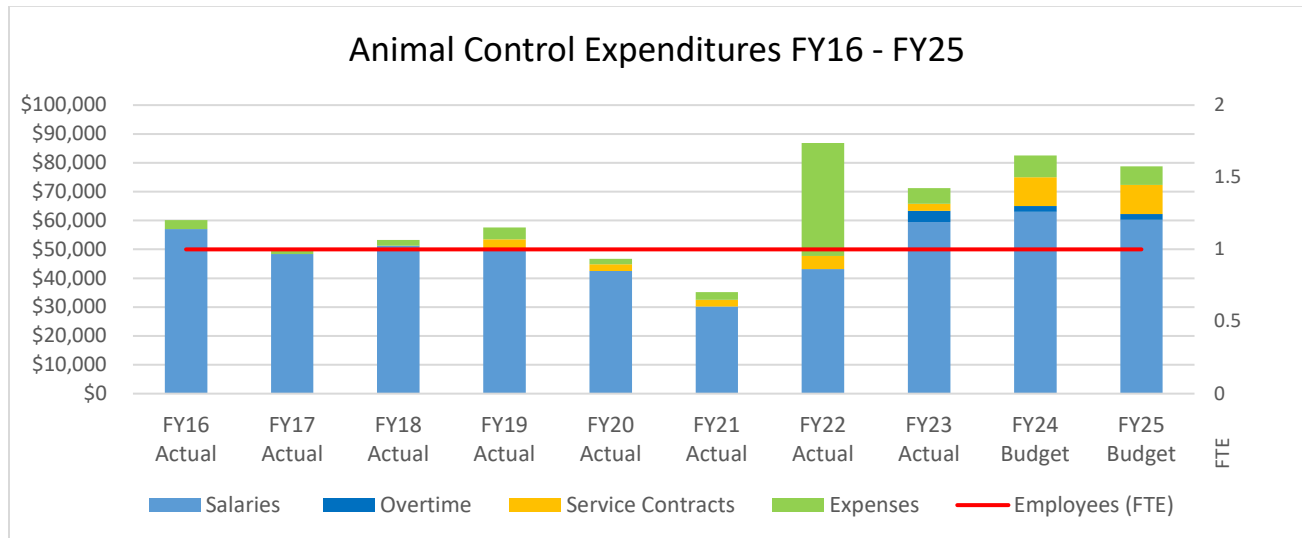
The building department include the protection of the health, safety, and welfare of residents through the enforcement of the Dracut Zoning By-law, the Massachusetts State Building Code (780 CMR), MA Sheet Metal Regulations (271 CMR) and the MA Architectural Access Board Regulations (521 CMR). The Building Department is responsible for issuing permits for the construction of all public and private buildings, alterations and additions, pools, garages, etc. These are followed up with inspections to ensure compliance. They also conduct periodic inspections of businesses and buildings where required, issue zoning determinations for proposed businesses and structures and investigate zoning and code-related complaints as required. The Building Department has 3 full-time employees (Director, Building Inspector and Admin), and 2 part-time Inspectors (Plumbing/Gas and Electrical/Wiring).



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Animal Control

The Animal Control Officer (ACO) performs administration, labor, inspection and technical work in the enforcement and interpretation of applicable state codes and local by-laws, as they Shadow of Animal Control Officer with Dog relate to the control and regulation of animals within the Town of Dracut. Such work includes, among other duties, investigating animal mistreatment, controlling abandoned, dangerous, or unattended animals and educating the public. The ACO performs labor, technical and inspectional services to assure that the Town will be free from animals-at-large creating hazards of public health, public safety, or public order.



Department of Public Works

The Public Works Department is to support and enhance the quality of life for residents, businesses, and visitors by providing services to manage and upgrade the Town's infrastructure in the most efficient manner and provide design, construction, and maintenance solutions for road, traffic, and conveyance systems in order to prioritize safety of the public. The Department of Public Works (DPW) consists of multiple divisions, including administrative, highway, tree, stormwater, cemetery, parks and snow removal. The primary responsibility of the DPW staff is to maintain all public roadways, public parks, town vehicles, public drainage lines, and public water bodies. The DPW is responsible for the maintenance and operations of 160 miles of public roads, 77 miles of drainage infrastructure, over 4000 drainage structures (catch basins, outfalls, culverts, detention ponds). The Town operates and maintains seven municipal cemeteries including two of which are located within the corporate limits of Lowell. Lot sales and care fees offset some of the expenses included in this account for maintenance activities. The Stormwater division is under the Department of Public Works, and although this is an Enterprise Fund, the funding of this operation is from the general fund.

The Stormwater Division performs numerous functions to support the Town's drainage system, receiving streams, and ultimately to comply with the 2016 Massachusetts Small Municipal Separate Storm Sewer System

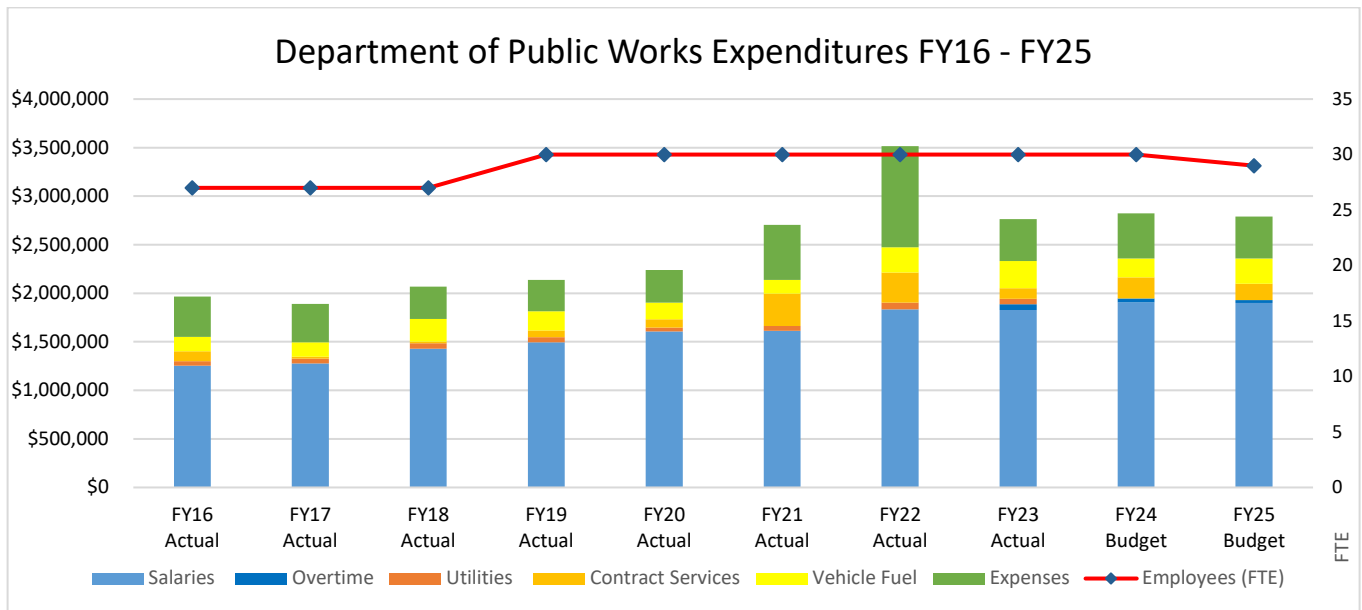
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

(MS4). The Town of Dracut's Stormwater Management Program implements activities and measures to comply with the terms and conditions of the MS4 permit. The Stormwater Division was added in FY19.

The Public Works Department has 29 Full Time employees: DPW Director, DPW Assistant Director/Stormwater Manager, Admin, Foreman and 3 General Foreman's, and 22 MEO Laborers. Expenses include uniforms and accessories, tree removal, machinery equipment and tools, rental equipment, building maintenance and custodial supplies, vehicle fuel, office supplies, vehicle equipment, repairs and maintenance, training, telephone, supplies and services, dues and publications, road repair and maintenance, park and playground maintenance, and cemetery maintenance. As part of the reductions for FY25, the Town eliminated an MEO position.

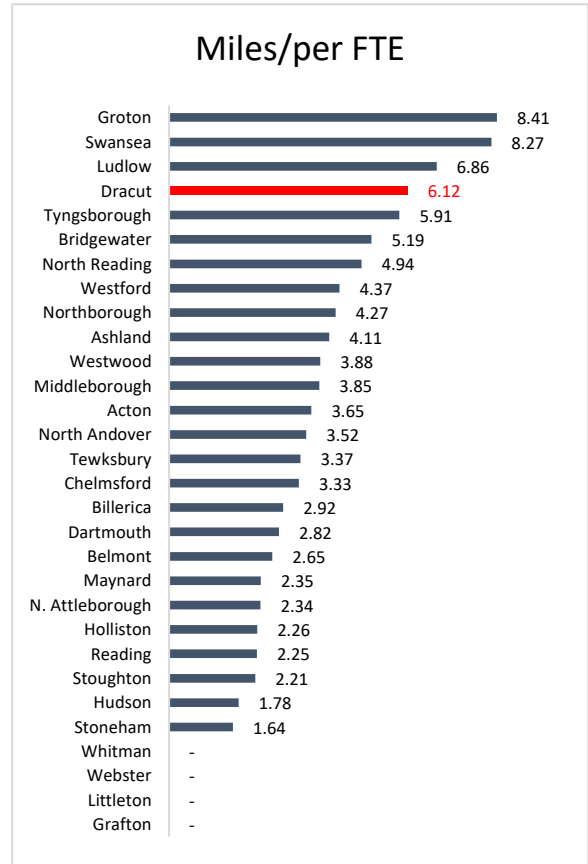
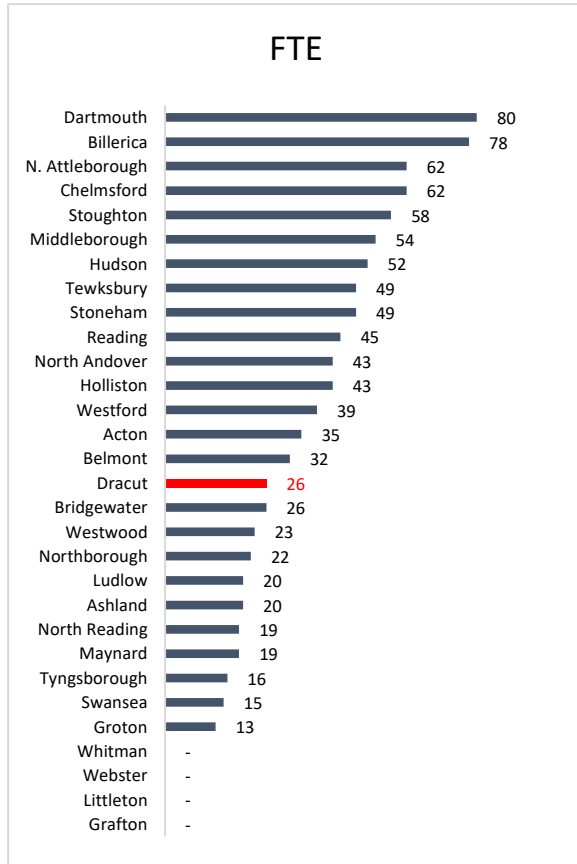
- In the chart and graph below the decrease in Utilities in FY24 was due to the reclassification of Electric, Gas, Water and Sewer expenditures that is being budgeted under building maintenance.*

Public Works Department	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$1,255,511	\$1,276,830	\$1,430,410	\$1,494,589	\$1,607,075	\$1,612,894	\$1,834,571	\$1,826,475	\$1,908,021	\$1,899,124
Overtime	0	0	0	0	0	0	0	62,202	38,500	32,000
Utilities	43,957	50,318	55,912	53,519	40,694	50,198	68,321	54,308	0	0
Contract Services	102,455	20,000	15,668	68,095	83,341	332,276	309,365	108,768	216,400	166,400
Vehicle Fuel	149,843	148,576	232,356	197,157	172,140	142,447	260,520	279,097	195,000	260,000
Expenses	415,745	393,988	333,026	323,476	337,327	567,581	1,040,909	432,309	465,750	432,450
Total Expenses	\$1,967,511	\$1,889,712	\$2,067,372	\$2,136,836	\$2,240,577	\$2,705,396	\$3,513,685	\$2,763,159	\$2,823,671	\$2,789,974
Employees (FTE)	27	27	27	30	30	30	30	30	30	29



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

DPW DEPARTMENT – FTE and Miles / per FTE



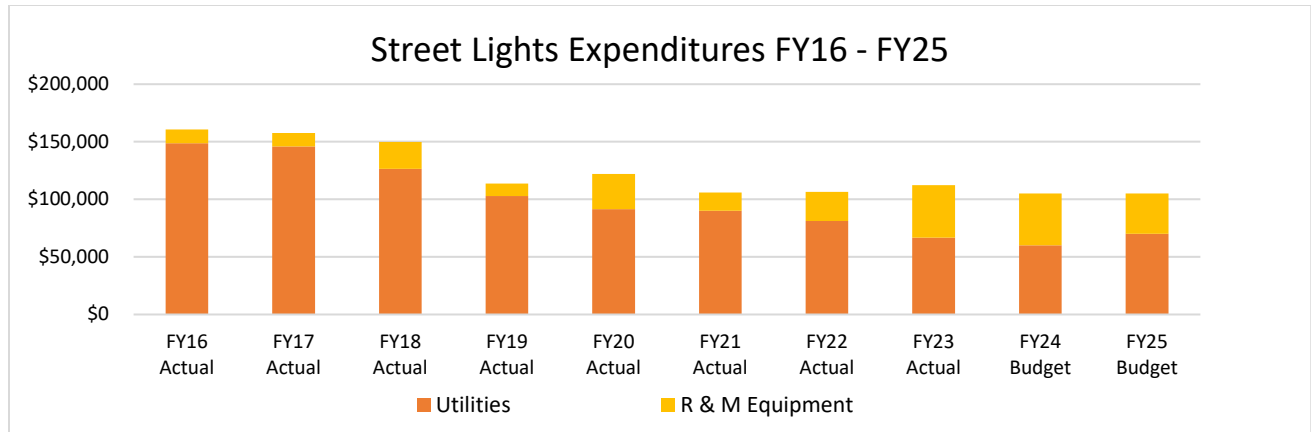
- For Webster, Whittman, Littleton and Grafton – we were unable to get employee data.
- Dracut does not include the DPW Director, Assistant Director and Admin

Streetlights

Costs for street lighting throughout the Town are accounted for in this budgetary account. Streetlights were “rented” from Massachusetts Electric at a monthly charge based upon the size and type of fixture and energy is supplied via a bulk procurement contract. The Town recently replaced all streetlights with LED fixtures, resulting in ownership as well as savings in this account.

Streetlights	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Utilities	\$148,620	\$146,010	\$126,570	\$102,778	\$91,576	\$89,985	\$81,136	\$66,705	\$60,000	\$70,000
R & M Equipment	12,176	11,599	23,365	10,814	30,346	16,023	25,341	45,626	45,000	35,000
Total Expenses	\$160,796	\$157,609	\$149,935	\$113,592	\$121,922	\$106,008	\$106,477	\$112,331	\$105,000	\$105,000

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



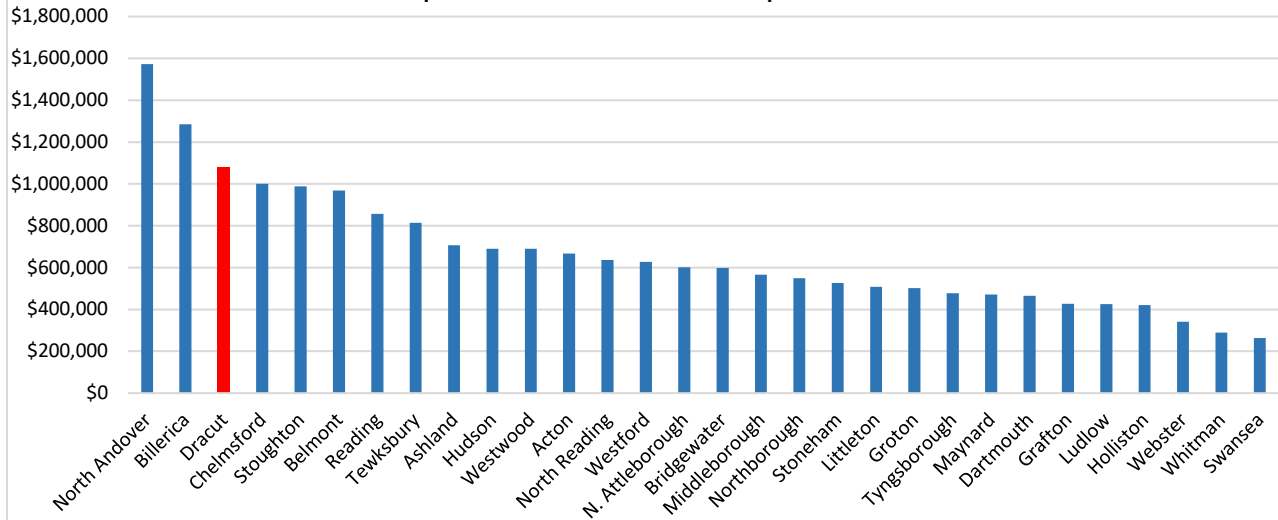
Snow & Ice

The DPW is responsible for treating and clearing approximately 160 miles of public and private roads, sidewalks and Town and School Buildings. The Town will use contractors to assist with snow removal depending on the severity of the storm, usually over 3 inches. Under current law, if a city or town appropriation for the snow and ice budget equals or exceeds the prior fiscal year appropriation, the snow and ice account may incur a liability or may be legally overspent and must be made up in the next fiscal year, or by a transfer from available funds. The chart below shows the amount budgeted, compared to the amount spent in that year. The Town has experienced a snow deficit since FY17, which has been covered by a transfer from Free Cash.

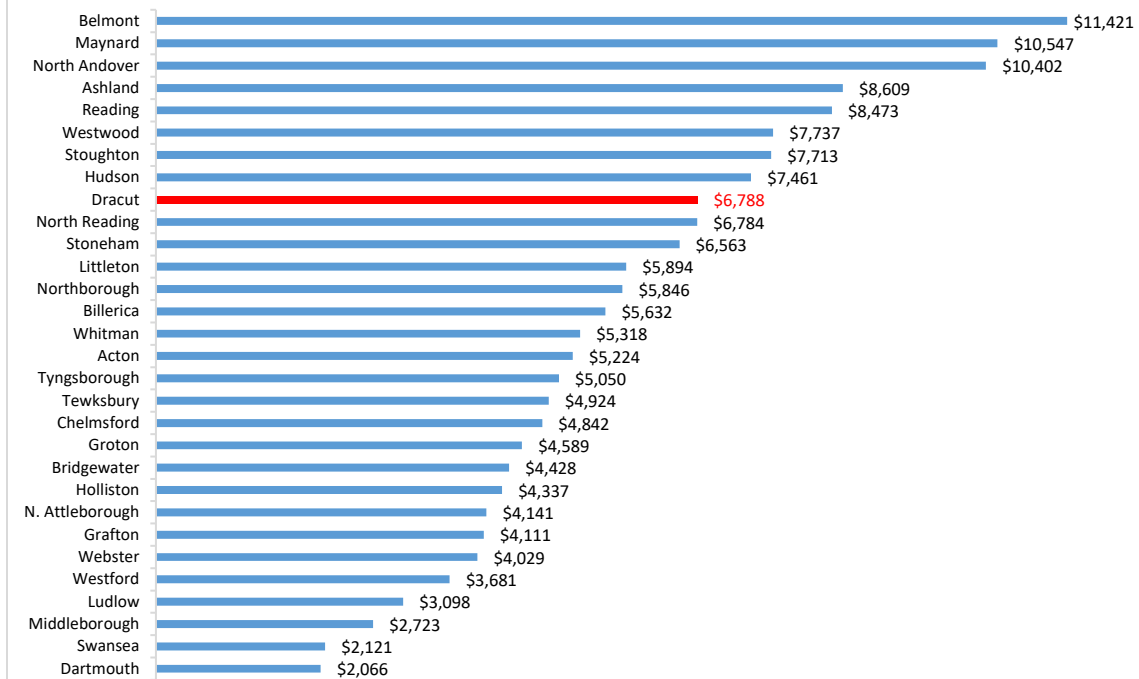
Snow & Ice	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Overtime	\$76,378	\$176,508	\$206,219	\$193,344	\$144,261	\$139,988	\$244,985	\$187,939	\$150,000	\$150,000
Chemicals & Salt	\$201,177	\$465,834	\$302,838	\$227,405	\$278,175	\$248,196	\$307,648	\$240,907	\$160,000	\$200,000
Contract Services & Equipment	\$211,619	\$627,260	\$545,728	\$422,156	\$372,345	\$400,430	\$527,150	\$219,154	\$206,400	\$206,400
Expenses	\$37,757	\$0	\$1,692	\$5,095	\$0	\$0	\$0	\$0	\$71,600	\$31,600
Total Expenses	\$526,931	\$1,269,602	\$1,056,477	\$848,000	\$794,781	\$788,613	\$1,079,783	\$648,000	\$588,000	\$588,000
Budget	\$563,000	\$563,000	\$563,000	\$563,000	\$563,000	\$563,000	\$563,000	\$588,000	\$588,000	\$588,000

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Snow & Ice Expenditures FY22 - Comparable Communities



Snow & Ice Removal - FY22 Cost per Mile



Dracut's per mile cost = \$6,788

Average per mile cost = \$5,818

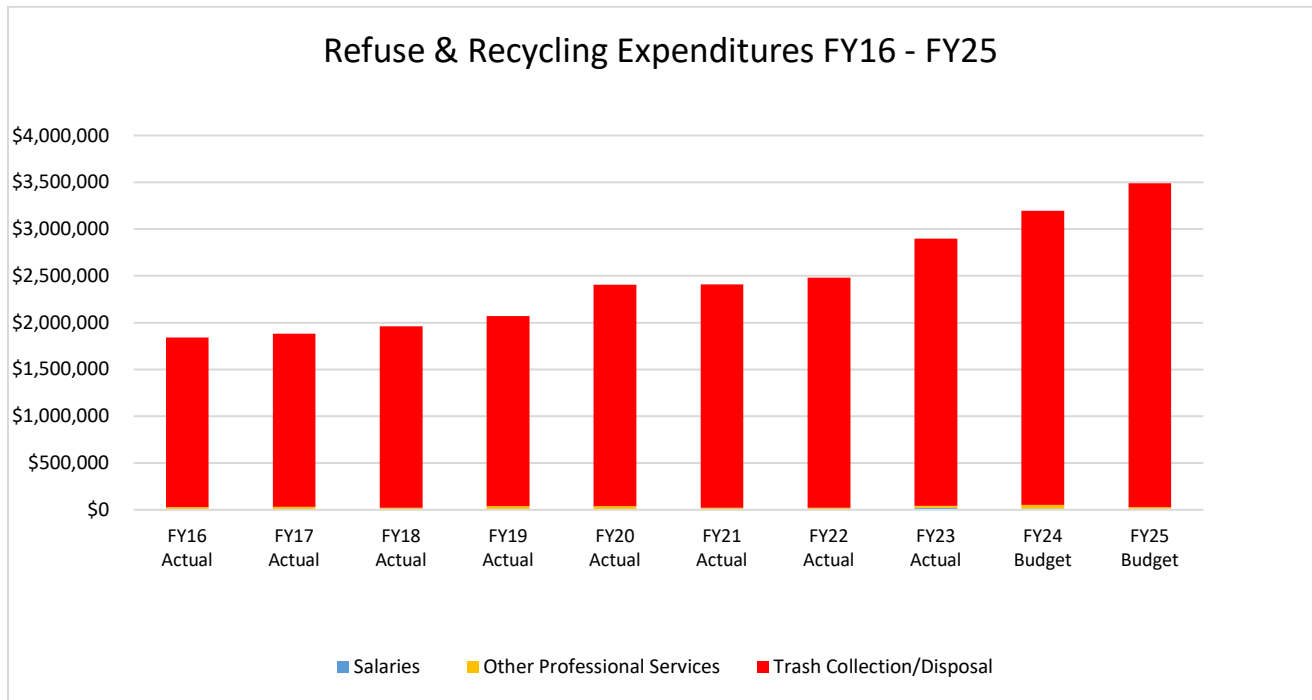
Median per mile cost = \$5,271

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Refuse & Recycling

Waste collection and disposal services are provided by the Town through a contract with a private hauler for collections via Republic and disposal via the Covanta Waste Management in Haverhill. Once weekly curbside collection (including bulk items) is provided throughout the Town. Recycling activities of the Town, which consists of a bi-weekly automated curbside pick-up, spring and fall compost material drop off at the Department of Public works facility, and Christmas tree chipping are also carried out through this account. At no additional cost, residents are allowed to dispose of one bulky item per week by calling in advance to Republic, as well as being allowed to dispose of mattresses and box springs by calling UTEC. In FY25, the per capita cost of Trash and Recycling Services is \$109.

Refuse & Recycling	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$7,028	\$7,218	\$6,248	\$5,342	\$6,588	\$6,962	\$8,196	\$20,250	\$11,000	\$12,100
Trash Collection/Disposal	1,813,019	1,849,192	1,936,600	2,031,118	2,367,460	2,384,700	2,455,923	2,855,097	3,145,000	3,463,105
Other Professional Services	20,107	24,742	16,975	32,247	32,655	15,853	15,088	21,708	40,000	15,000
Total Expenses	\$1,840,154	\$1,881,152	\$1,959,823	\$2,068,707	\$2,406,703	\$2,407,514	\$2,479,207	\$2,897,055	\$3,196,000	\$3,490,205

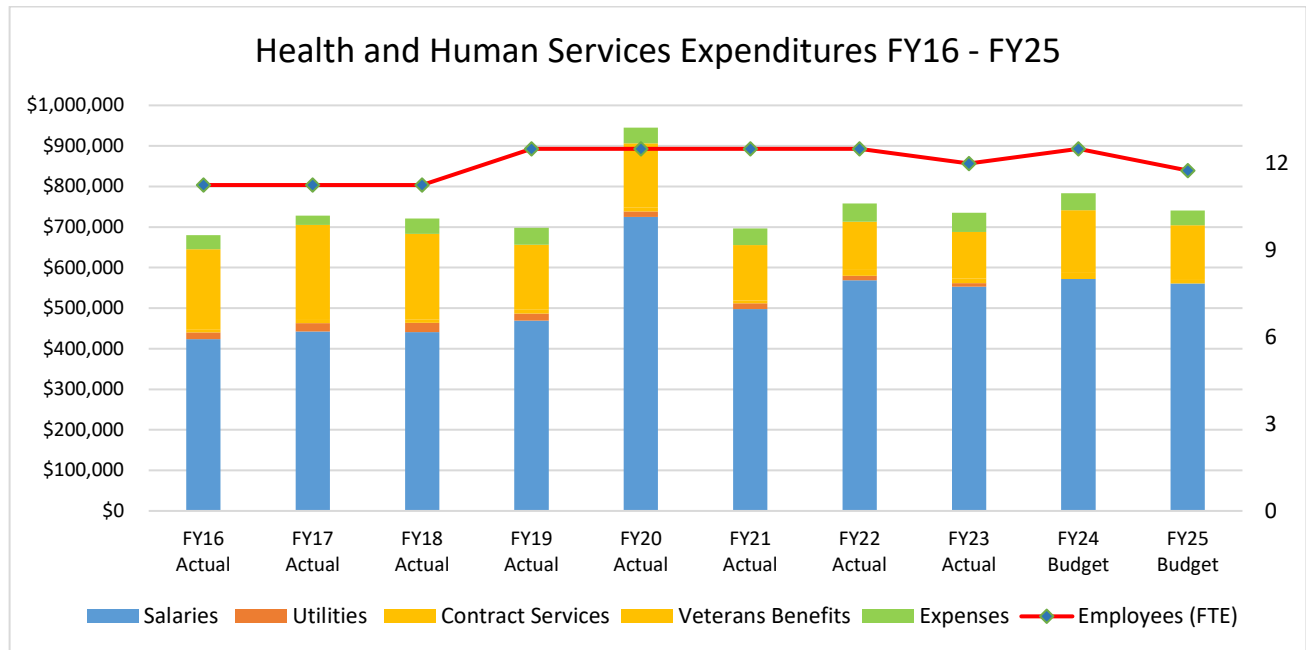


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

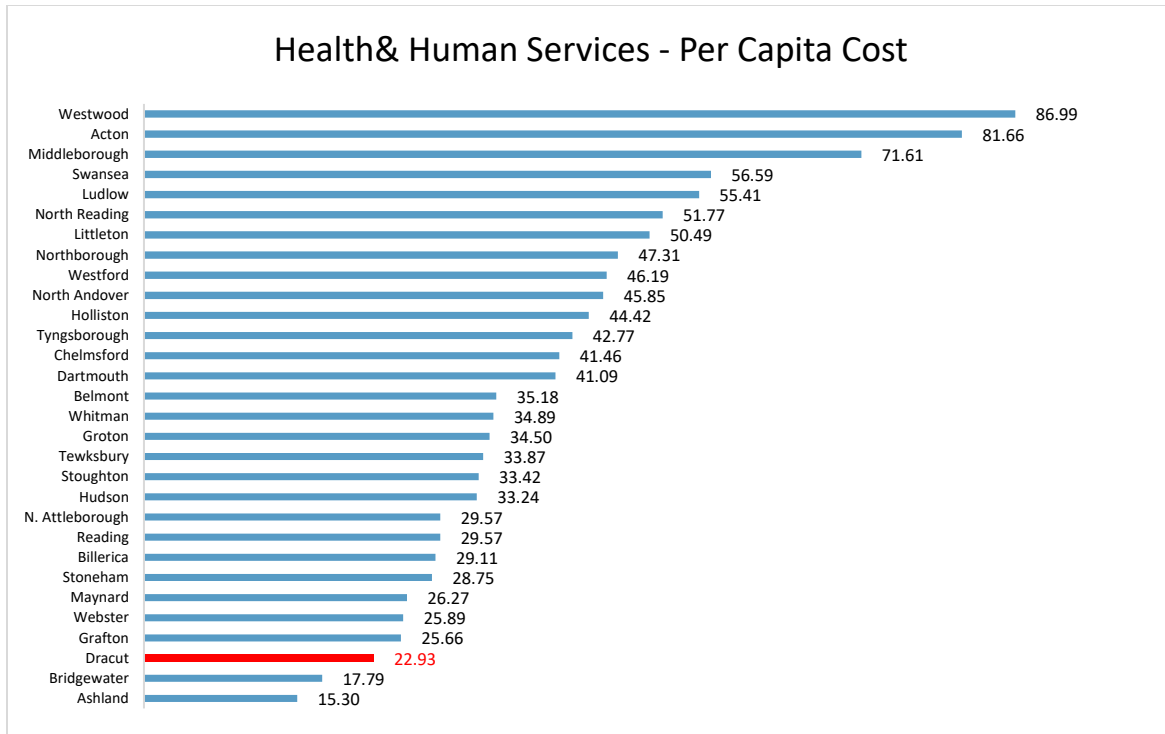
Health and Human Services

This section of the expenditures is provided for Health and Human Services salaries and expenditures for activities in the Board of Health, Council on Aging and Veteran's Services.

Total Human Health Services	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$423,765	\$442,850	\$440,682	\$469,465	\$724,877	\$497,391	\$568,493	\$553,182	\$572,240	\$561,136
Utilities	16,002	19,852	23,172	16,933	13,690	14,169	11,247	8,395	0	0
Contract Services	8,372	8,114	8,800	9,471	10,336	7,308	12,957	12,049	14,400	8,500
Veterans Benefits	197,536	234,419	210,675	160,852	157,404	136,690	116,796	114,387	155,000	135,000
Expenses	34,423	22,601	37,923	41,647	38,907	56,932	44,605	46,966	42,120	36,020
Total Expenses	\$680,098	\$727,836	\$721,252	\$698,368	\$945,214	\$712,490	\$754,098	\$734,980	\$783,760	\$740,656
Employees (FTE)	11.25	11.25	11.25	12.5	12.5	12.5	12.5	12	12.5	11.75



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



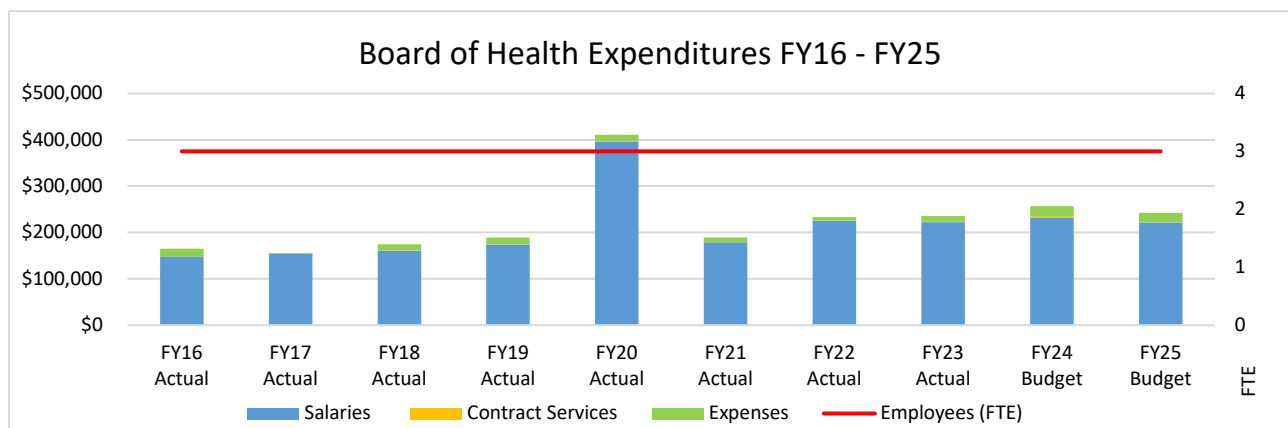
Dracut's per capita cost = \$23

Average per capita cost = \$41

Median per capita cost = \$35

Board of Health

The Health Department provides inspectional services aimed at protecting the public and environmental health. Inspectional service resources are directed at food safety, safe and sanitary housing, bacterial testing at bathing beaches, public and semi-public swimming pools, tanning facilities, nuisance complaints, etc. The Health Department also provides various vaccinations to the community, the most popular being flu and pneumonia vaccines. The Health Department has also become involved in local and regional efforts to increase awareness and education about the Heroin/Opioid Epidemic. In addition to salary and related personnel expenses, funds are provided for equipment and material supplies related to the various inspections and medical needs.

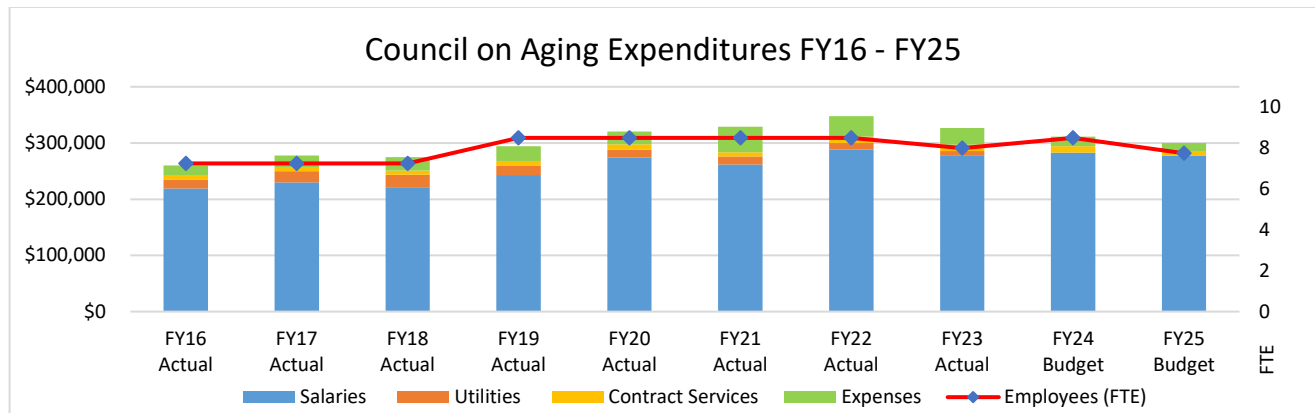


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Council on Aging

The Dracut Senior Center serves Dracut residents who are age 60+ and/or disabled. Because the senior center is a social service agency, we are unique among other town departments. The Senior Center provides everything from a place for older adults to drop in and be social, to low-cost fitness programs, transportation, and nutrition, all the way to friendly visitors, benefits counseling, and crisis support. One quarter of Dracut's population are older adults (residents aged 60 and older). The Senior Center is the heartbeat of our older adult community, providing services, activities, and events. The Senior Center is a vibrant center with 68% of our participants under the age of 80. We are a place of lasting friendships and new experiences. Expenses include building maintenance and equipment, custodial supplies, vehicle fuel and repairs for the buses, office supplies, training, and telephone. Contracted services include inspection and repairs for the elevator, fire alarm systems, copy machine service maintenance and pest control. The Town receives approximately \$90K from the State Formula Grant, which the Town uses these funds to offset a portion of the salaries for the activity coordinator, social worker, and administrative assistant. The senior center offers transportation services, with support from the Lowell Regional Transit Authority, which provides transports for medical appointment, transfer to and from the senior center, shopping, and other varies transports around Town and to other local communities. As part of the FY25 budget process, the Town did reduce the Transportation Coordinator position from a full-time to a part-time position and eliminated part-time hours for drivers.

- In the graph below the decrease in FTE and salaries in FY23 was due to the reclassification of custodians, as well as utilities that were being budgeted under the COA to the building maintenance department.

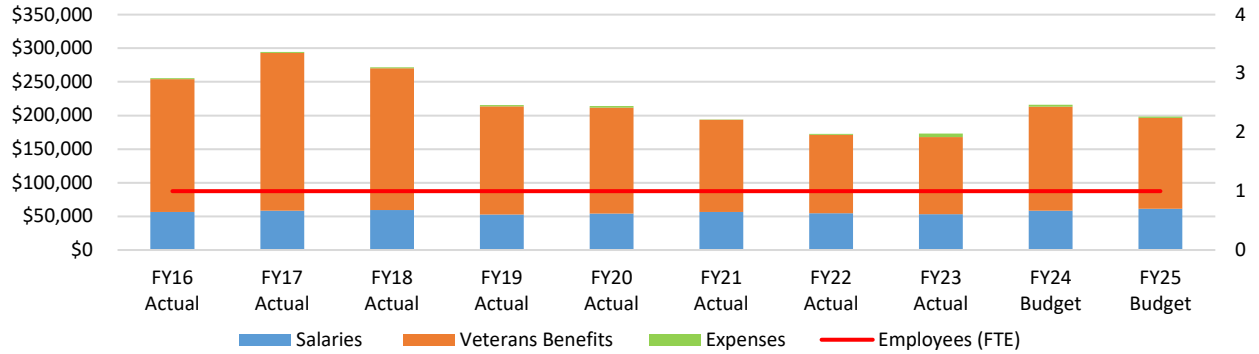


Veterans Services

The Department of Veterans' Services oversees a state assistance program based on need, which provides financial, medical, and service benefits to veterans and their dependents. Local veterans' agents in cities and towns administer its main financial and medical assistance programs. The office also offers assistance and referrals in the areas of federal compensation and pensions, state and federal educational benefits, tax exemptions, annuities, home loans, counseling, and job training.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Veterans Services Expenditures FY16 - FY25

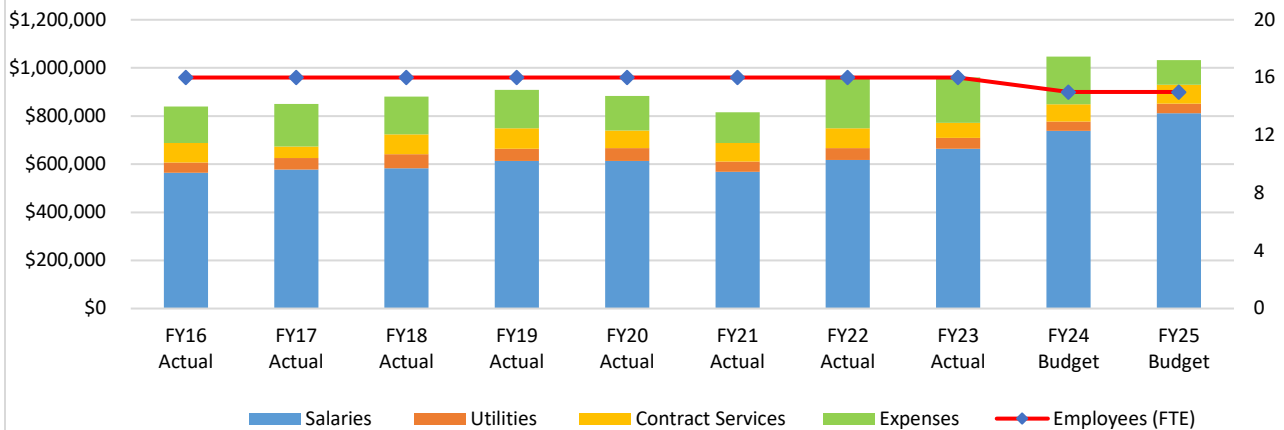


Culture & Recreation

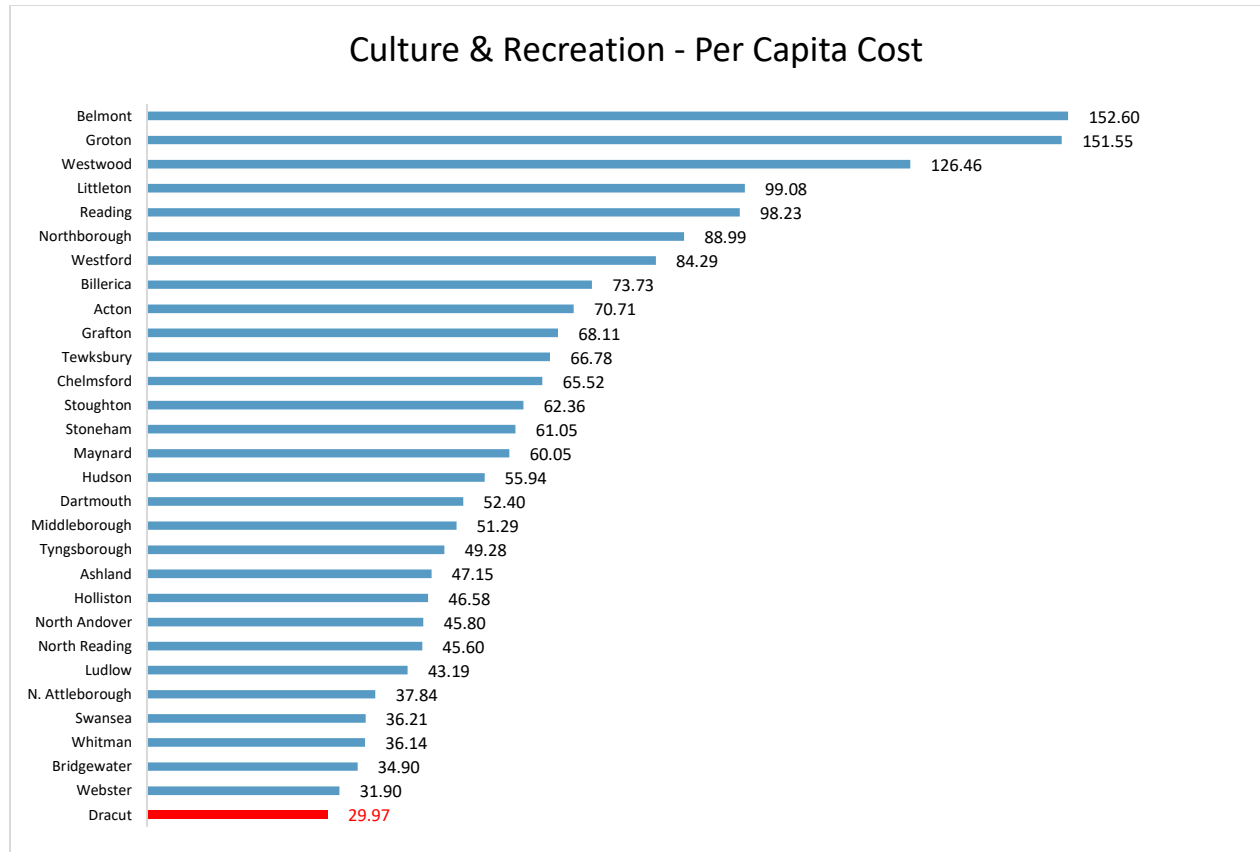
This section of the expenditures is provided for Library, Recreation, Veteran's Organizations and Historic Commission.

Total Culture and Recreation	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$564,389	\$577,836	\$583,115	\$613,297	\$613,718	\$568,684	\$616,824	\$664,236	\$737,983	\$811,779
Utilities	42,510	47,370	58,773	50,115	52,891	42,481	49,539	44,665	39,650	39,650
Contract Services	81,070	47,826	82,029	86,167	72,995	76,104	82,645	62,595	71,542	79,026
Expenses	151,493	177,392	157,378	159,495	143,175	121,344	207,610	189,318	197,943	101,788
Total Expenses	\$839,462	\$850,424	\$881,295	\$909,074	\$882,779	\$808,613	\$956,618	\$960,815	\$1,047,118	\$1,032,243
Employees (FTE)	16	16	16	16	16	16	16	16	15	15

Culture & Recreation Expenditures FY16 - FY25



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Dracut's per capita cost = \$30
Average per capita cost = \$66
Median per capita cost = \$58

Library

The Parker Library, located on Arlington Street, provides year-round daily services for residents of all ages and all segments of the community. The mission of the Moses Greeley Parker Memorial Library is to meet the lifelong learning and recreational needs of the community by providing, organizing, and storing books and other media, databases, and collections; offering opportunities to learn new information, ideas, and skills through library collections and programming; and connecting community members to each other through formal events and by chance. The Library strives to be a responsive, sustainable, innovative, and valuable resource to the residents of Dracut. The Library aspires to be the first organization our community turns to with questions or needs, even if it seems outside the traditional scope of libraries. We work to create strong community partnerships between the Library and other town departments, committees, and groups. We also want to be a place where staff feel inspired by our vision and goals and supported by each other and library leadership.

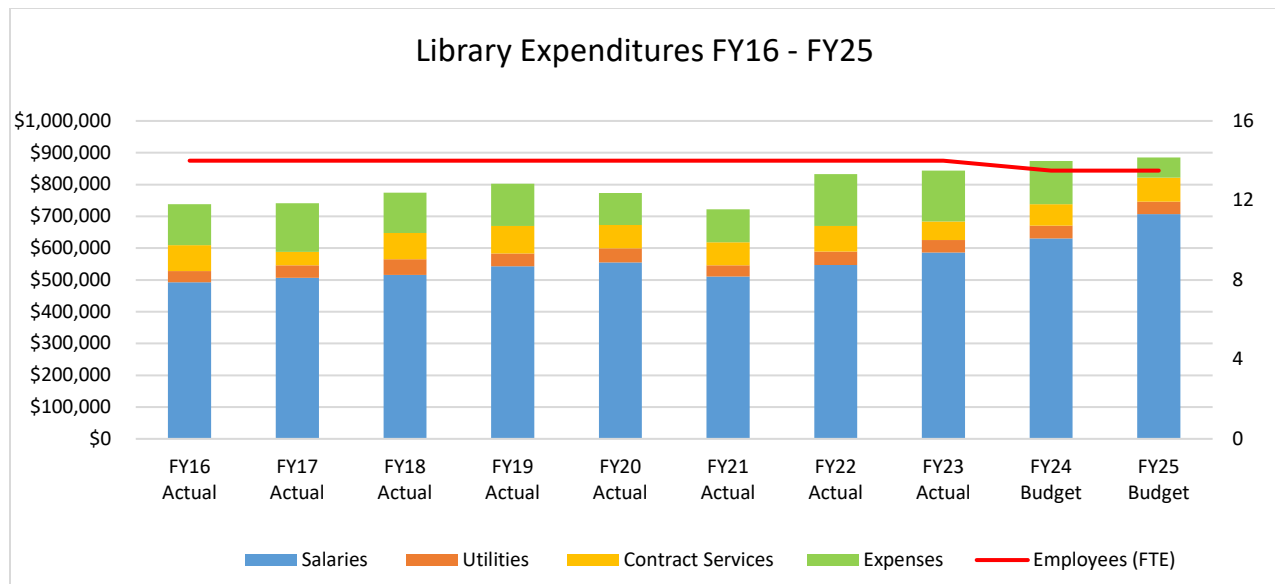
The Library operates under the jurisdiction, authority and control of a five-member elected Board of Trustees. Libraries are required by Massachusetts Libraries Board of Library Commissioners (MLBC) to adhere to standards based on the municipalities' population. The MLBC requires a municipality with a population between 25,000 – 49,999 to meet the following requirements: 59 hours per week over at least 6 days, including some evenings; spending 13% of the Town's appropriation on library materials; lend books to other libraries; and employ "trained

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

library personnel” defined by Code of MA regulations as a specific level of education and certification. The Library Incentive Grant (LIG) that encourages municipalities to maintain minimum levels of service, the Municipal Equalization Grant (MEG) to help compensate libraries with relatively less revenue, and the Nonresident Circulation Offset (NRC) that helps offset the cost of circulating materials to residents of other communities. Massachusetts General Law Chapter 78, section 19a states that a municipality must appropriate a figure of at least the average of the last 3 year’s municipal appropriation to the library operations, increased by 2.5%, in order to be certified for State Aid to Public Library. The Municipal Appropriation Requirement (MAR) for state aid eligibility for Dracut for FY25 is \$878,000, which the Town for FY25 is budgeting \$885,242, barely above the MAR. These state funds go directly to the library, without further appropriation. The state funds are under the control of the Library Trustees. For FY24, the Town is expected to receive \$80,645. The state is estimating for FY25 \$81,919, which the Town expects to use these funds to offset Library operations.

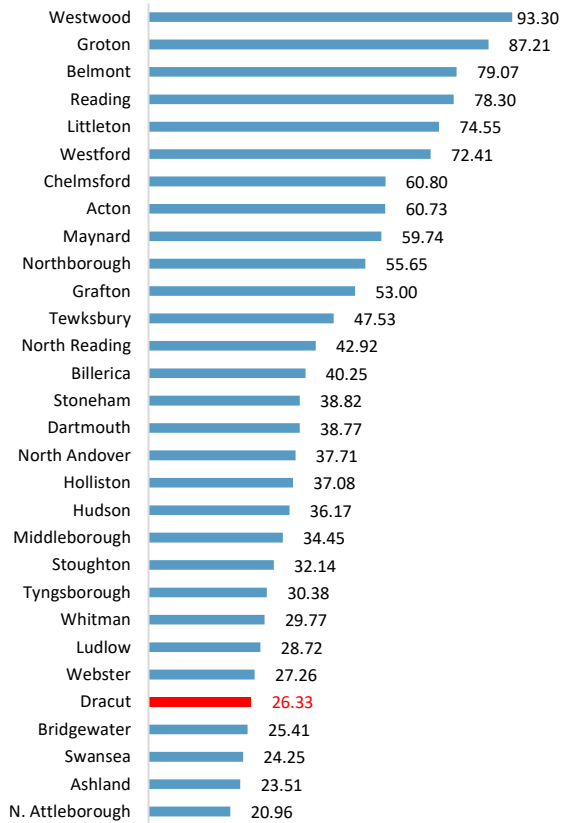
The library staff consists of eight (8) full-time and ten (10) part-time employees. Expenses include utilities (electric, gas, water and sewer), custodial supplies, telephone, programming, IT equipment, office supplies, publications (includes books) and contracted services which is for comcast, and inspection and repairs for the elevator, fire alarm and sprinkler system, Verizon, and the Merrimack Valley Library membership.

- *In the graph below the decrease in FTE and salaries in FY23 was due to the reclassification of custodians being budgeted under Library. The library also used a cleaning service prior to FY23, due to the cost quadrupling in price, the Town opted to move one of the custodians over from Town Hall to the Library.*

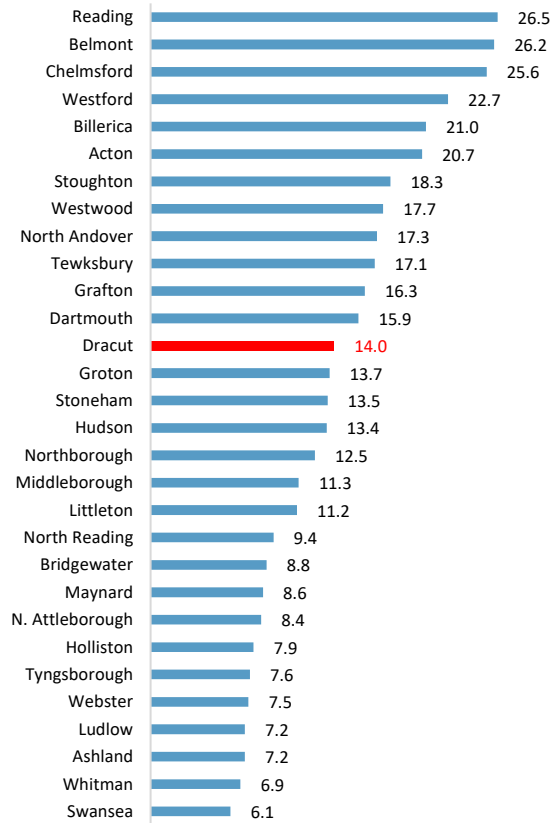


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Library - Per Capita Cost



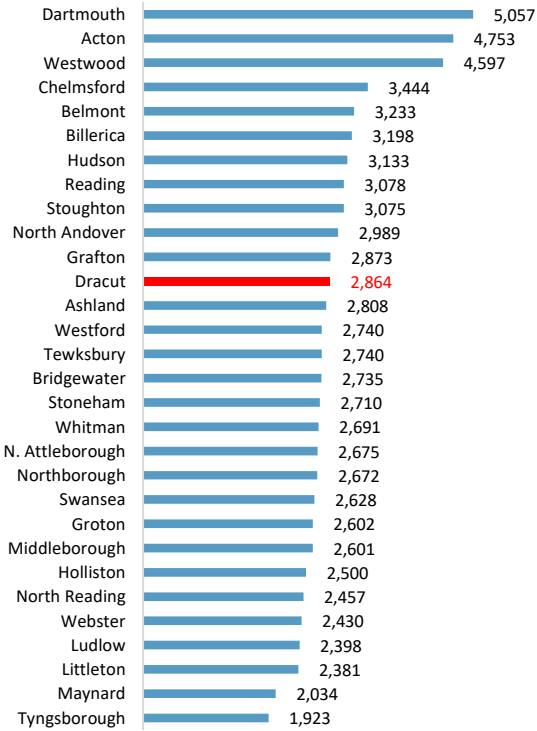
Library - FTE's



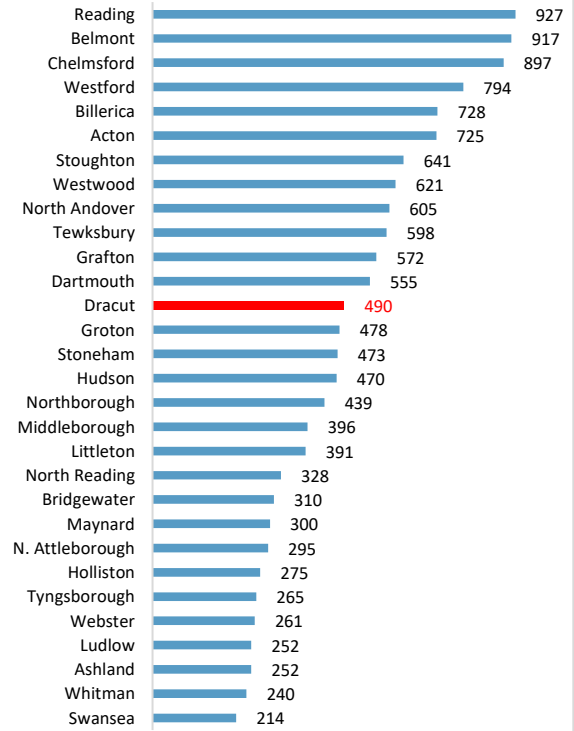
Dracut's per capita cost = \$26
Average per capita cost = \$46
Median per capita cost = \$39

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

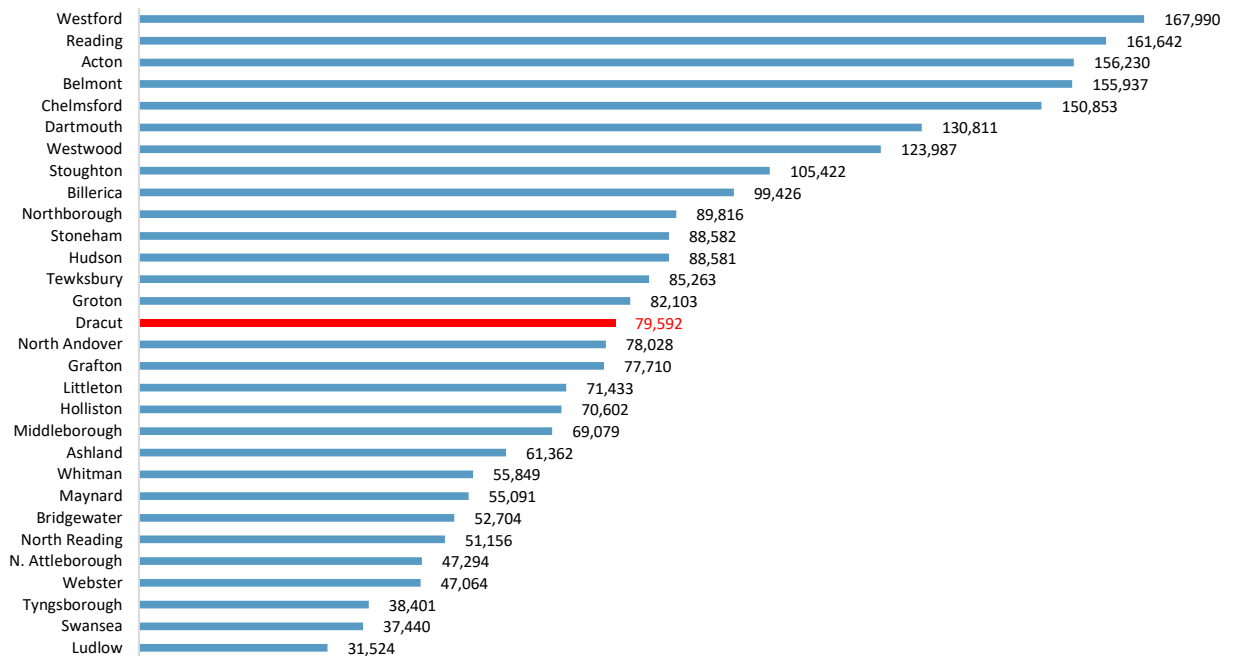
Total Library Annual Hours Open



Library - Total Hours Worked - Weekly



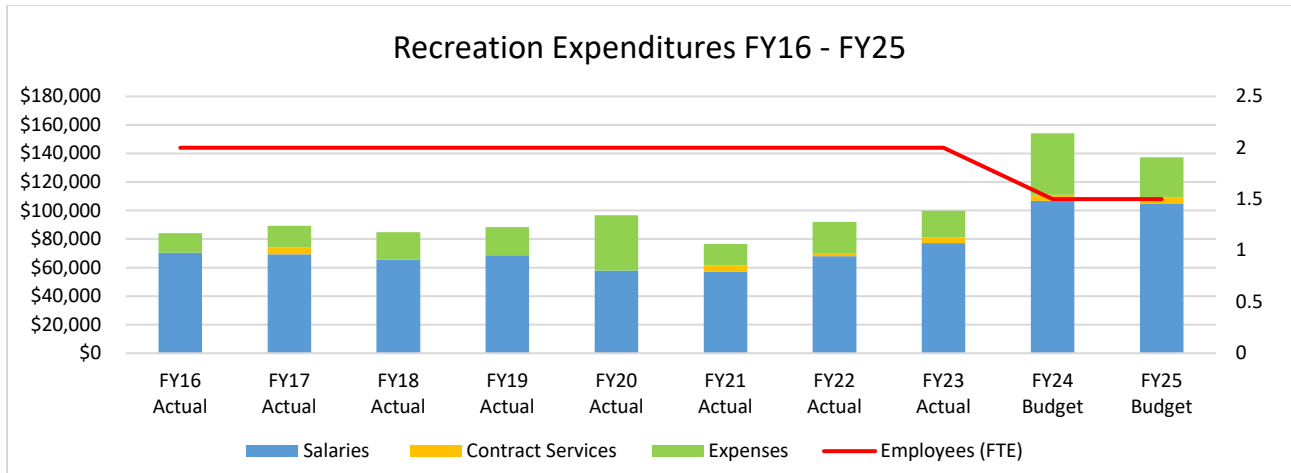
Library Annual Visitors



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

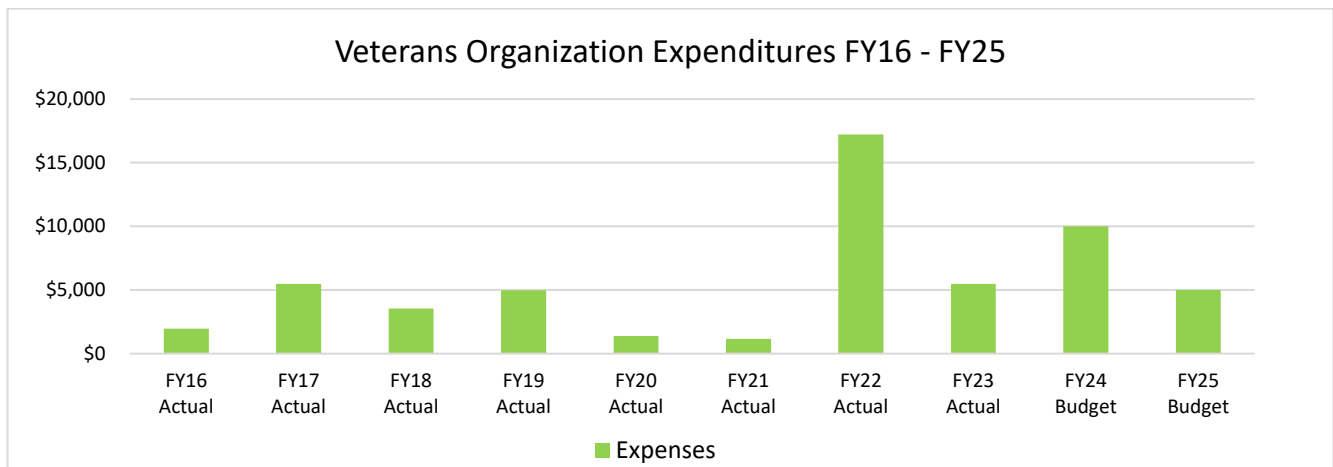
Recreation

Under the direction of the Recreation Commission and Director of Recreation and the assistance of numerous volunteers, the Town offers a full-scale recreation program during all four seasons of the year. This account includes funds for the part-time director and full-time administrative assistant, as well as various program supplies and equipment. Funds for program cost and fees are deposited and expended through the Recreation Revolving Fund.



Veterans' Organization

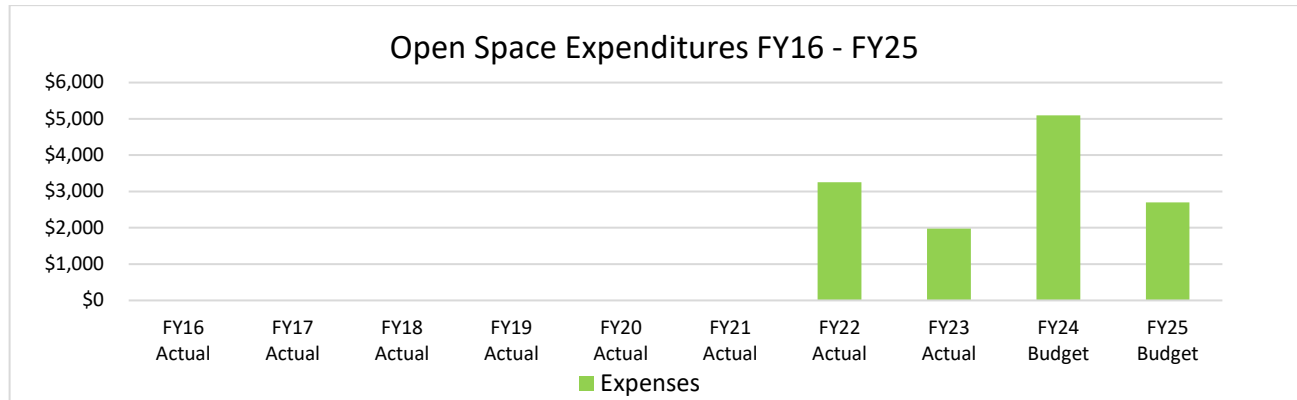
The annual Dracut Town Memorial Day parade is managed by our Veteran's Agent and Council on Aging Director. Through this account, the Town defrays some of the expenses in support of this activity.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Open Space

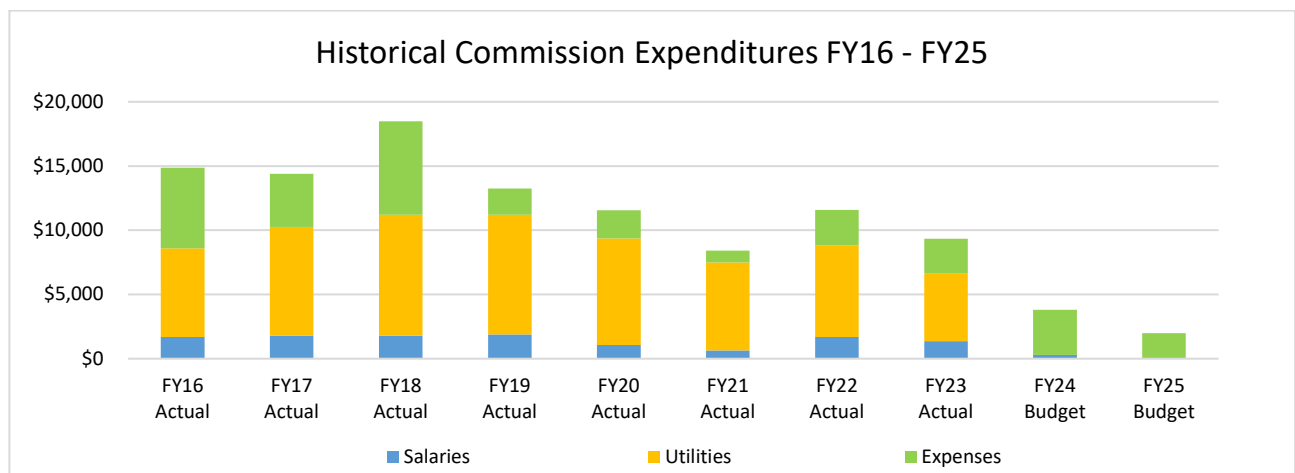
Under the direction of the open space committee funds this fund is used to help maintain and preserve open space.



Historic Commission

The Town contributes annually through the Dracut Historical Commission and the Dracut Historical Society toward the maintenance, custodial supplies, and upkeep for the Historical Society Building as well as Harmony Hall on Lakeview Avenue. These facilities are owned by the Town but leased to the Dracut Historical Society. This support is made through this account.

- In the graph below the decrease in utilities was due to the reclassification of that expenditure to the building maintenance department.*



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

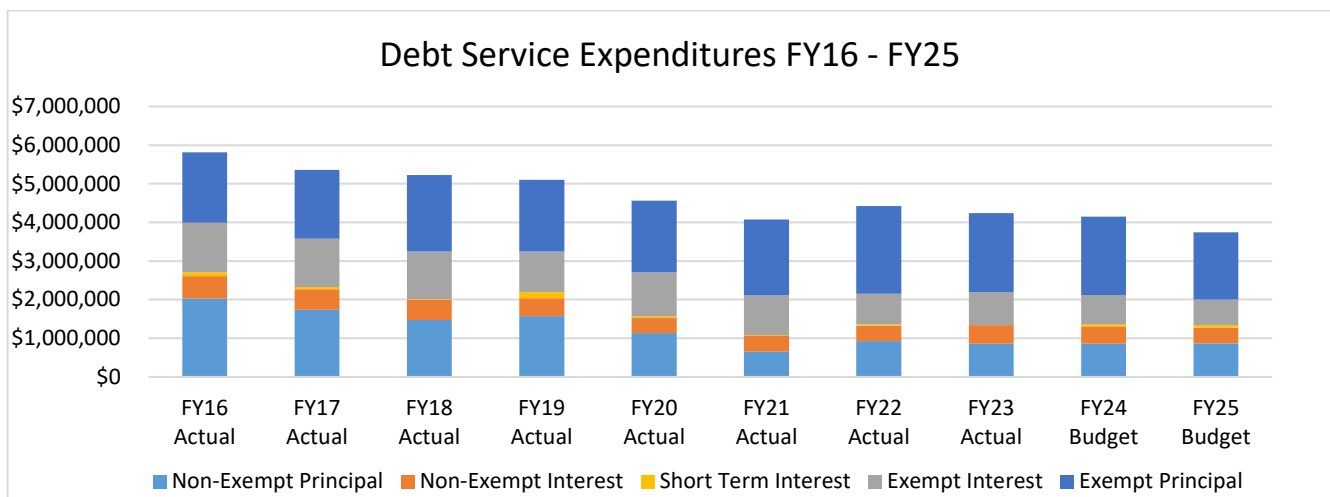
Debt Services

These payments are for debt issues for capital projects including but not limited to Town and School building construction and improvement, fields, road and traffic construction and improvements. Municipal borrowing is governed by Massachusetts General Laws Chapter 44 Sections 7 and 8. Debt for Community Preservation projects and Sewer projects are shown under their respective budgets.

Non-Excluded Debt: The town is allowed to issue bonds to pay for larger projects over a certain period of time. The most common request for borrowing is what's referred to as non-excluded debt. Non-excluded debt does not increase the tax levy, rather, it is absorbed within the operating budget and competes with other operational needs of the town. Authorizing non-excluded debt only requires a 2/3 majority vote at Town Meeting.

Excluded Debt: Similar to a property tax override, the Town may also vote for a debt exclusion. A debt exclusion is a temporary tax increase that affects all property owners in town. The word "exclusion" means that the additional tax is excluded from the limits of Proposition 2 ½. Debt exclusions are considered to pay for larger capital projects that the annual debt service costs are too large to absorb within the annual operating budget. In Dracut some of these projects include the High School, Police Station, Library and Fire Station. The additional tax is added onto the levy limit and assessed across all the real and personal property in town. Although debt exclusions are temporary tax increases, many projects are bonded over a 20-year period, so residents are paying for the project over a long period of time. A debt exclusion requires a two-thirds vote at Town Meeting and a majority election ballot vote. Per Massachusetts law, a two-thirds vote of the Select Board is required to place an exclusion question on an election ballot.

Debt Services	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Non-Exempt Principal	\$2,030,000	\$1,741,890	\$1,474,480	\$1,574,000	\$1,136,011	\$651,620	\$929,000	\$864,750	\$859,500	\$867,750
Non-Exempt Interest	579,843	525,781	520,514	460,247	387,546	426,174	398,893	479,853	450,010	411,203
Short Term Interest	98,133	59,140	14,005	158,844	37,800	5,971	25,835	0	60,000	60,000
Exempt Interest	1,287,280	1,248,330	1,234,737	1,056,358	1,144,640	1,029,994	802,120	845,792	751,081	662,817
Exempt Principal	1,820,000	1,784,000	1,986,771	1,849,722	1,855,365	1,958,786	2,268,491	2,046,250	2,029,000	1,745,750
Total Expenses	\$5,815,256	\$5,359,141	\$5,230,507	\$5,099,171	\$4,561,362	\$4,072,545	\$4,424,339	\$4,236,645	\$4,149,591	\$3,747,519



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Dracut's Outstanding Debt

Project	Bond Date	Mature FY	Principal	Interest	Total P&I
---------	-----------	-----------	-----------	----------	-----------

Exempt Projects

Library Refunding	08/19/15	2025	\$ 62,000	\$ 1,860	\$ 63,860
Police Station Refunding	08/19/15	2026	\$ 429,000	\$ 17,400	\$ 446,400
High School	09/18/18	2039	\$ 1,561,000	\$ 368,644	\$ 1,929,644
Fire Station	10/15/20	2041	\$ 3,380,000	\$ 690,675	\$ 4,070,675
High School Refunding	04/22/21	2034	\$ 9,124,250	\$ 2,275,931	\$ 11,400,181
Greater Lowell Technical High School		2037	\$ 2,065,300	\$ 401,346	\$ 2,466,646

Exempt Total

\$ 16,621,550 \$ 3,755,856 \$ 20,377,406

Non-Exempt Projects

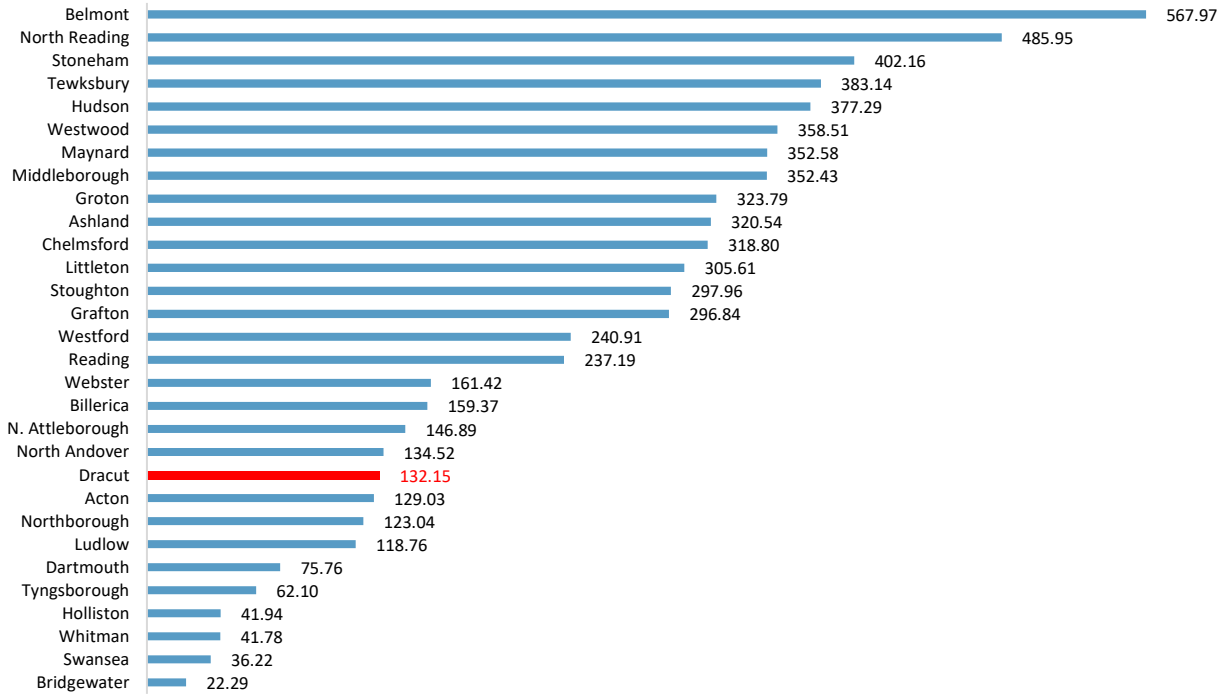
Salt Shed Refunding	08/19/15	2025	\$ 2,000	\$ 60	\$ 2,060
Police Station Refunding	08/19/15	2026	\$ 141,000	\$ 6,240	\$ 147,240
Town Hall	08/19/15	2036	\$ 780,000	\$ 152,019	\$ 932,019
Public Safety Communications Improvements	08/19/15	2030	\$ 120,000	\$ 10,575	\$ 130,575
Fire Station Construction	10/15/20	2041	\$ 1,360,000	\$ 279,600	\$ 1,639,600
School Design	10/15/20	2041	\$ 255,000	\$ 52,425	\$ 307,425
Englesby Elementary School Roof	10/15/20	2041	\$ 1,000,000	\$ 203,700	\$ 1,203,700
Brookside Elementary School Roof	10/15/20	2041	\$ 1,255,000	\$ 256,125	\$ 1,511,125
Fields I	10/15/20	2035	\$ 240,000	\$ 38,300	\$ 278,300
Fields II	10/15/20	2036	\$ 70,000	\$ 10,725	\$ 80,725
Salt Shed Refunding	04/22/21	2034	\$ 81,500	\$ 20,300	\$ 101,800
Town Hall Refunding	04/22/21	2034	\$ 3,710,000	\$ 980,250	\$ 4,690,250
Canney Land Refunding	04/22/21	2027	\$ 9,250	\$ 644	\$ 9,894
Fire Station Construction	03/31/22	2042	\$ 845,000	\$ 297,400	\$ 1,142,400
School Pedestrian & Traffic Improvements	03/31/22	2037	\$ 885,000	\$ 259,200	\$ 1,144,200

Non-Exempt Debt Total

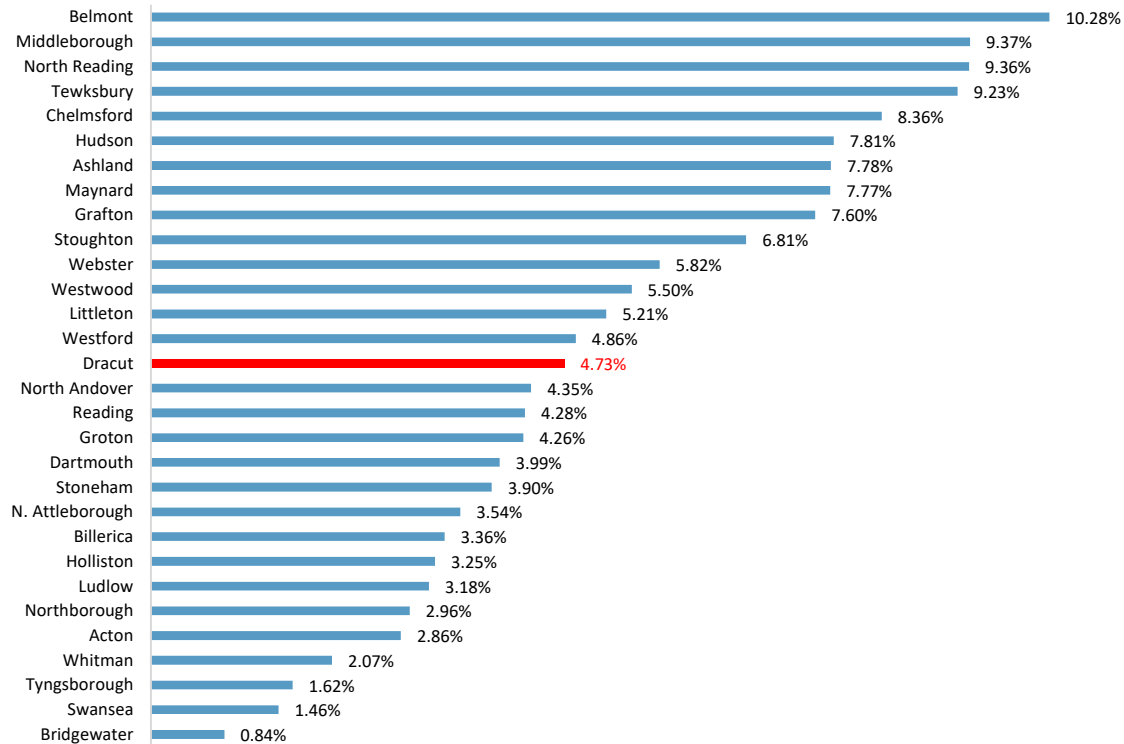
\$ 10,753,750 \$ 2,567,563 \$ 13,321,313

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Debt - Per Capita Cost



Debt as a % of Budget



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Schools & Education

This section of the expenditures is provided for Dracut Public School, Greater Lowell Vocational School and Essex Aggie. The Commonwealth's school finance statute, Chapter 70 of the General Laws, establishes an annual net school spending requirement for each Massachusetts school district. Failure to comply with this requirement may result in non-approval of a municipality's tax rate, enforcement action by the Attorney General, or loss of state aid.

Dracut Public School

The Dracut School Community is committed to fostering a safe and caring learning environment where autonomy, collaboration, and mutual respect are valued. Providing our students with the knowledge and skills necessary for reaching their individual potential. Inspiring all students to persevere, to become critical thinkers, to become good community members, and to become lifelong learners.

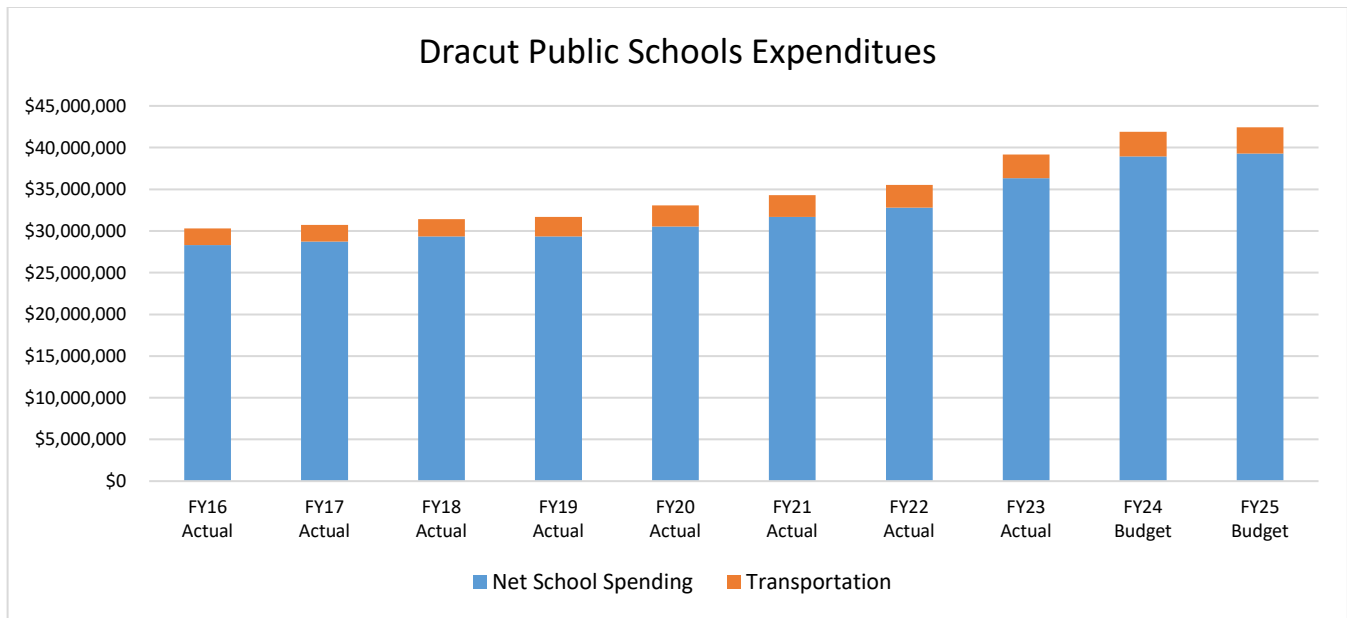
Dracut Public School's Vision Statement aspires to be a world-class school system that develops the heads, hearts, and hands of its students and inspires them to be the critical thinkers, problem-solvers, and innovators who make contributions to their communities, our nation, and the world.

Dracut Public Schools is managed by the School Superintendent with the guidance from a five-member elected School Committee, which provides policy and budgetary direction to the school administration. The Dracut School Budget is a single line item within the Town's budget, which is made up of Net School Spending Requirements, and Transportation. As per DESE guidelines, transportation costs associated with schools are not part of the net school spending requirements.

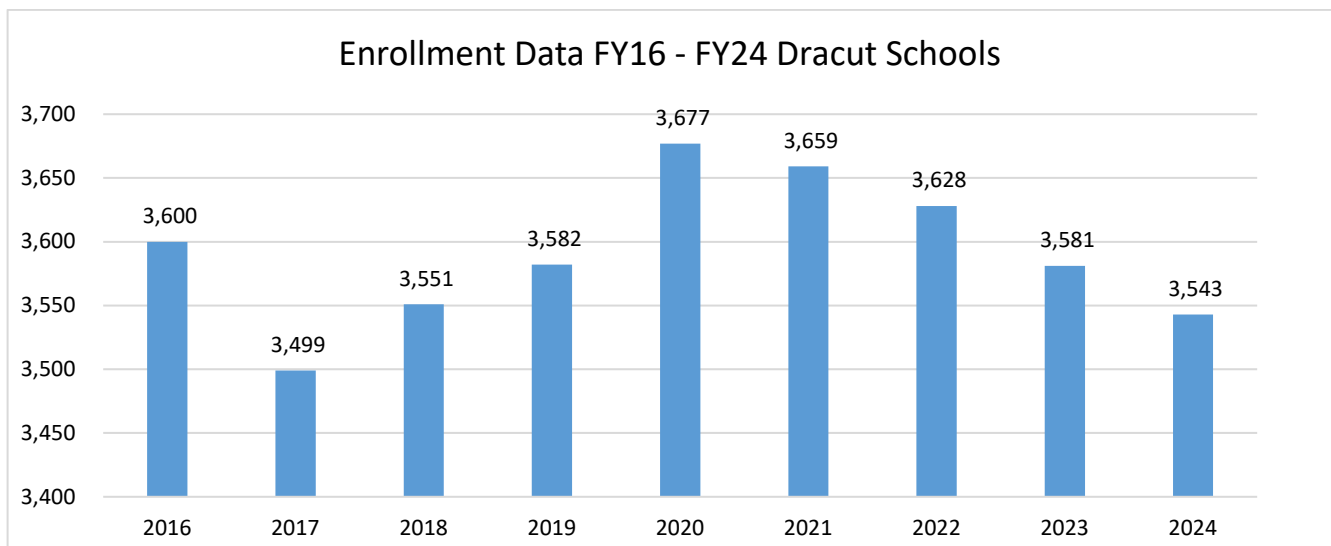
The Graph below shows the Dracut School's operating expenditures as shown in the budget. It does not include any chargebacks for insurance and benefits, and other costs.

Dracut Public School	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Net School Spending	\$28,300,000	\$28,741,345	\$29,350,000	\$29,350,000	\$30,550,000	\$31,680,156	\$32,792,513	\$36,330,000	\$38,926,213	\$39,293,700
Transportation	2,018,101	1,996,096	2,066,096	2,320,000	2,500,000	2,621,804	2,745,403	2,858,134	2,979,000	3,144,684
Total Expenses	\$30,318,101	\$30,737,441	\$31,416,096	\$31,670,000	\$33,050,000	\$34,301,960	\$35,537,916	\$39,188,134	\$41,905,213	\$42,438,384

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Dracut School enrolment has decreased by 57 students since 2016. Enrollment data was pulled from the Massachusetts Department of Education (DESE) databank as reported by the schools.



Dracut's Net School Spending (NSS) since FY16 has increased \$16.2M, or 42% in that time. In FY23 and FY24, Dracut saw a large increase in its NSS requirements from DESE at 9.47% and 8.17% respectively. Dracut's NSS is at 101.3% of actual expended as a % of the required Net School Spending for FY22. The average Net School Spending as a % of the required amount for all school districts in the State is 127.5%, which Dracut is at 26 from the bottom as a % of this number. Net School Spending data was pulled from the Massachusetts Department of Education (DESE) databank. The graphs below show the school's expenditure, inclusive of all expenses (chargebacks), as reported to DESE for Net School Spending (NSS) by the Dracut schools.

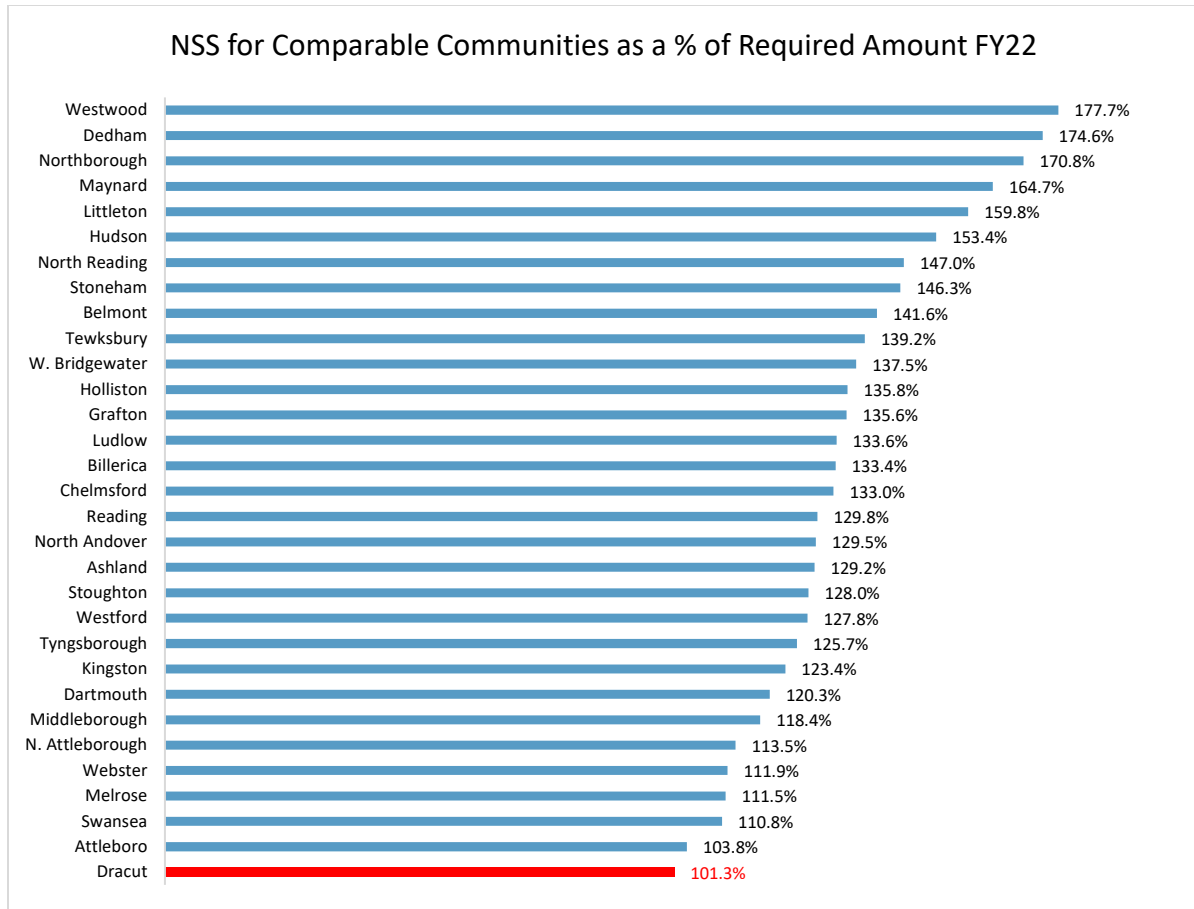
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Fiscal Year	School Expenditures	DESE Required NSS	Increase NSS	% Incr NSS	Over/Under NSS	% of NSS
FY16	\$ 38,940,487	\$ 39,026,851			\$ (86,364)	
FY17	\$ 39,972,483	\$ 39,722,159	\$ 695,308	1.78%	\$ 250,323	100.6%
FY18	\$ 41,001,453	\$ 40,071,330	\$ 349,171	0.88%	\$ 930,123	102.3%
FY19	\$ 42,519,995	\$ 41,220,558	\$ 1,149,228	2.87%	\$ 1,299,437	103.2%
FY20	\$ 42,476,469	\$ 42,426,983	\$ 1,206,425	2.93%	\$ 49,486	100.1%
FY21	\$ 44,294,288	\$ 44,107,776	\$ 1,680,793	3.96%	\$ 186,512	100.4%
FY22	\$ 46,662,523	\$ 46,058,563	\$ 1,950,787	4.42%	\$ 603,960	101.3%
FY23	\$ 51,241,076	\$ 50,418,701	\$ 4,360,138	9.47%	\$ 822,375	101.6%
FY24 Budget	\$ 54,722,806	\$ 54,539,267	\$ 4,120,566	8.17%	\$ 183,539	100.3%
FY25 Budget	\$ 56,044,162	\$ 55,254,927	\$ 715,660	1.31%	\$ 789,235	101.4%

School Expenditures compared to required Net School Spending (DESE)

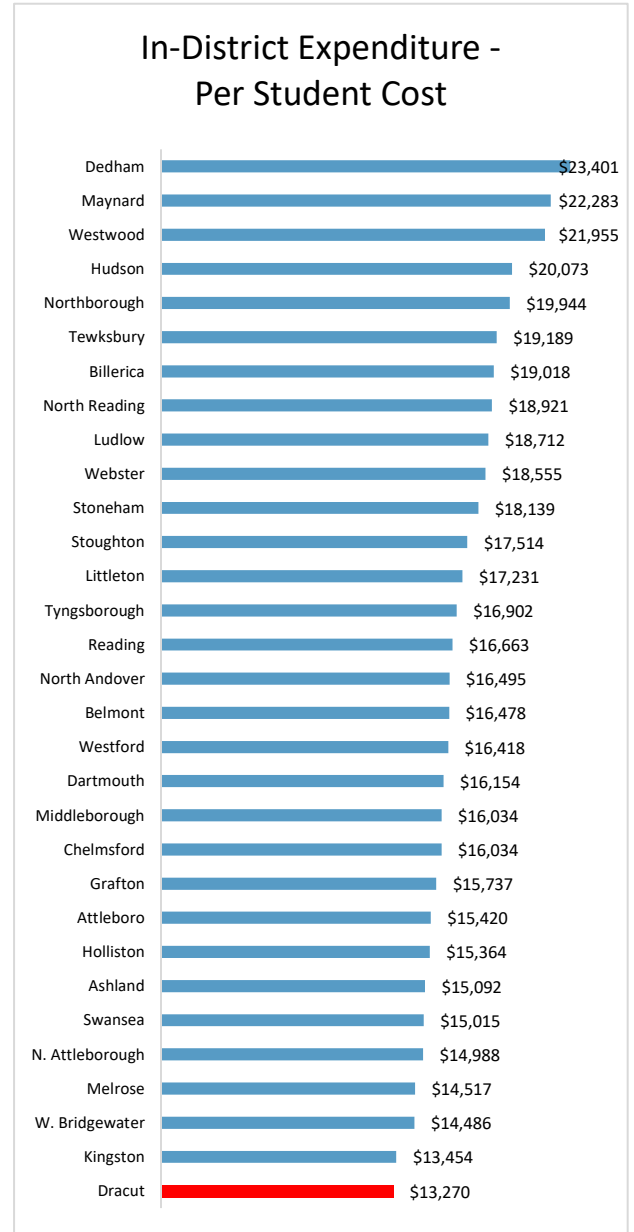
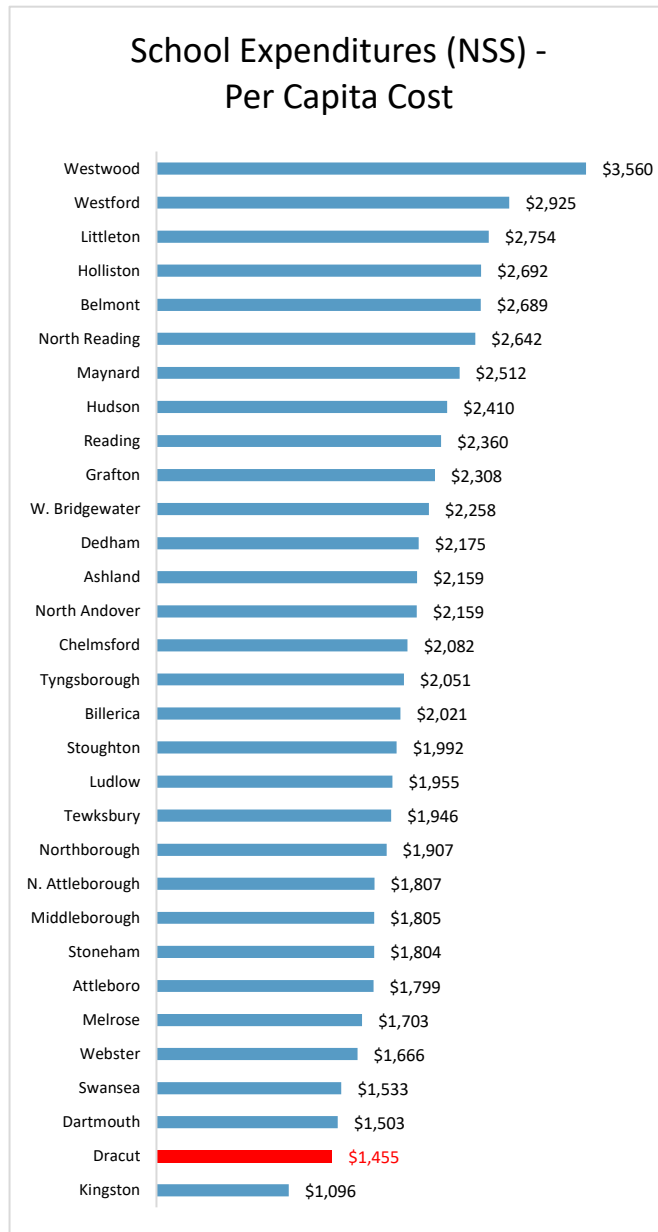


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

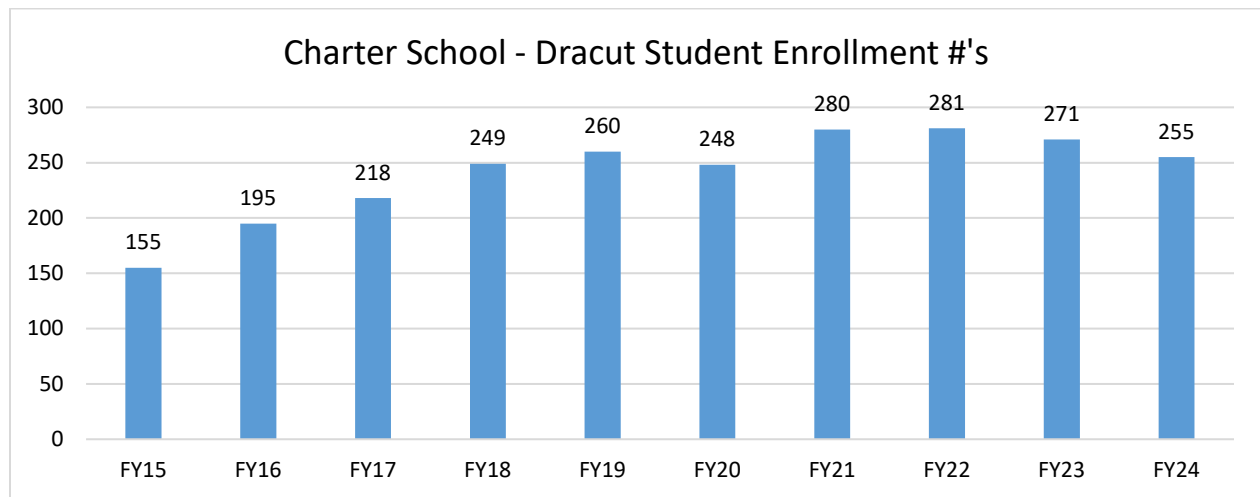
The graph below shows the school's per capita cost, inclusive of all expenses, as reported to DESE for Net School Spending, as well as the Per Student Cost.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

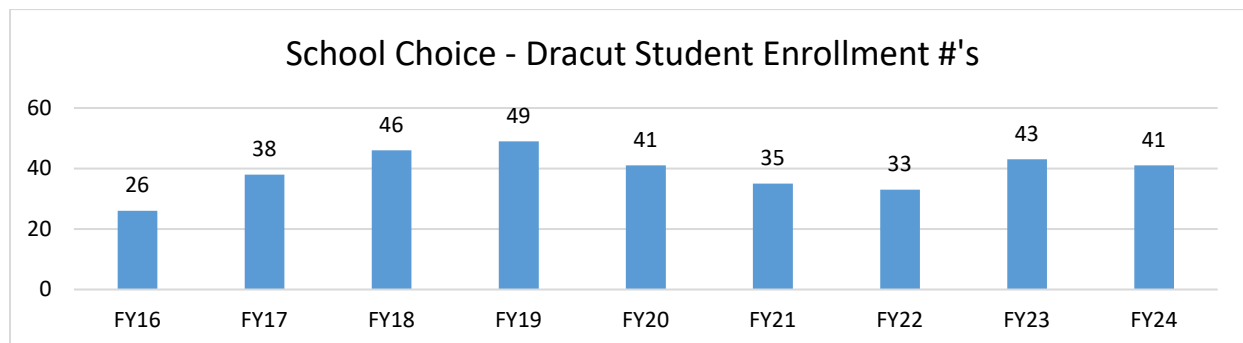
Charter School

A charter school is a public school that is managed by a board of trustees and operates independently of any school committee under a five-year charter granted by the Board of Elementary and Secondary Education. It has the freedom to organize around a core mission, curriculum, theme, and/or teaching method and to control its own budget and hire (and fire) teachers and staff. In return for this freedom, a charter school must attract students and produce positive results within five years, or its charter will not be renewed. Charter schools are funded by tuition charges assessed against the school districts where the students reside. The state provides partial reimbursement to the sending districts for the tuition costs incurred. Charter School Assessments and reimbursements are shown on the Cherry Sheet for a municipality. The cost of Charter Schools is included in the Net School Spending calculation for a school district. The chart below shows the enrollment numbers for Dracut students attending Charter School since FY15.



Choice School

The inter-district school choice program under G.L. c. 76, § 12B, allows families to enroll their children in schools in communities other than the city or town in which they reside. Tuition is paid by the sending district to the receiving district. Districts may elect not to enroll school choice students if no space is available.

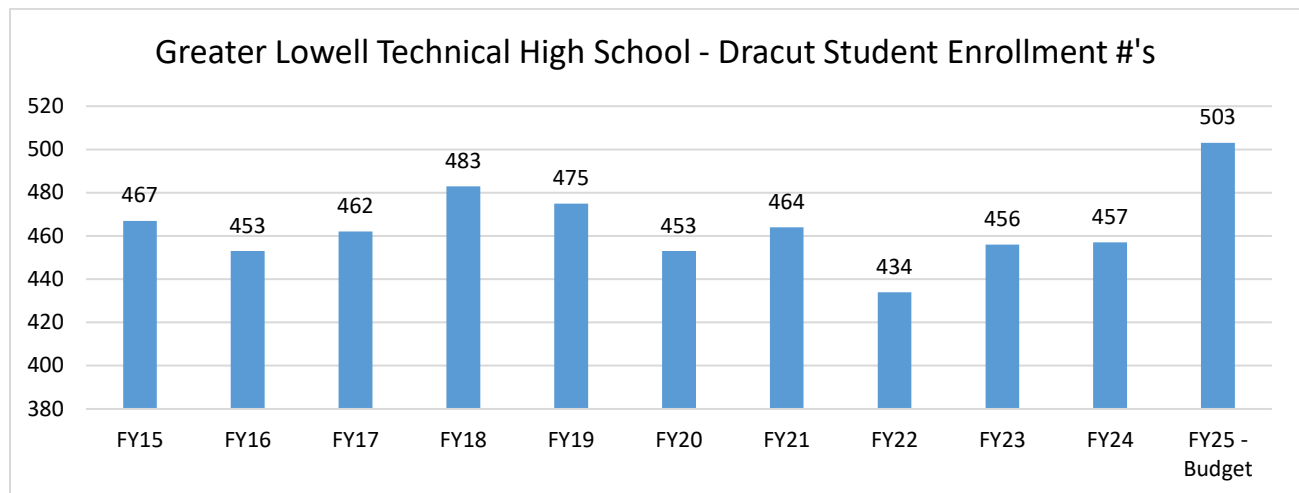
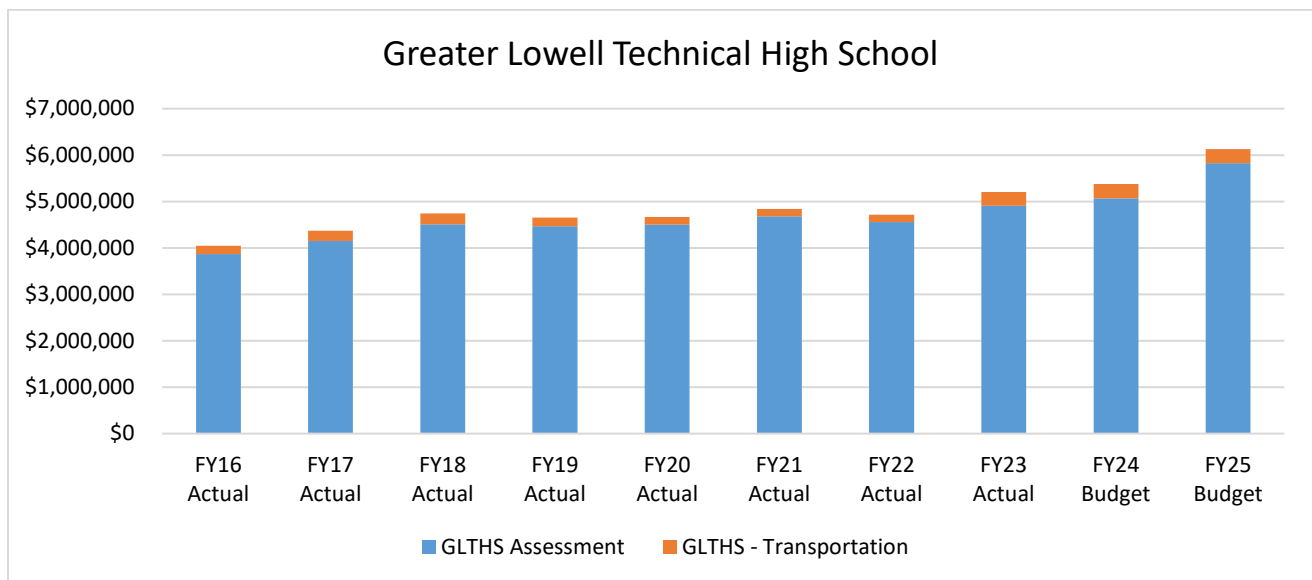


TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Greater Lowell Technical High School

The information below shows the expenditure and enrollment at the Greater Lowell Technical High School. Debt for the Greater Lowell Technical School is shown in the Debt Service Expenditures as exempt debt.

Greater Lowell High School	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
GLTHS - Assessment	\$3,869,112	\$4,150,187	\$4,505,414	\$4,464,544	\$4,498,796	\$4,682,155	\$4,553,722	\$4,911,236	\$5,070,000	\$5,827,703
GLTHS - Non-Net Assessment	178,711	221,213	235,124	187,534	169,572	158,213	161,111	292,157	304,000	303,409
Total Expenses	\$4,047,823	\$4,371,400	\$4,740,538	\$4,652,078	\$4,668,368	\$4,840,368	\$4,714,833	\$5,203,393	\$5,374,000	\$6,131,112



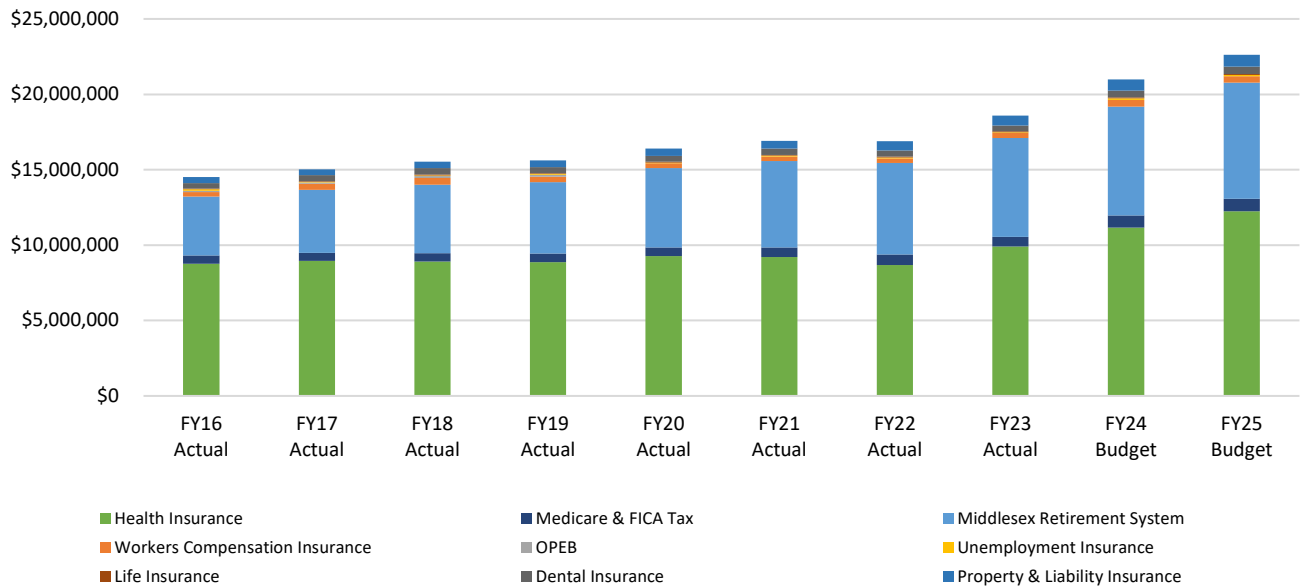
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Insurance and Benefits

The insurance and Benefits accounts provide funds for the Town's costs associated with Town and School employee and retirees' benefits, such as Health, Dental and Life Insurance, Unemployment Insurance, Town's Pension Assessment, Workers Comp Insurance, Police and Fire Injured on Duty insurance, Medicare Tax and OPEB. The account also includes funds for Property and Liability Insurance.

Insurance & Benefits	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Medicare & FICA Tax	\$548,759	\$525,978	\$551,655	\$577,227	\$567,407	\$630,458	\$704,813	\$627,541	\$800,000	\$825,000
Middlesex Retirement System	3,905,091	4,176,277	4,537,213	4,726,624	5,270,085	5,727,650	6,071,234	6,560,528	7,223,000	7,689,843
Workers Compensation Insurance	284,270	401,321	459,147	357,334	308,247	294,432	295,375	328,181	440,000	425,000
OPEB	100,000	100,000	125,000	125,000	0	0	0	0	0	0
Unemployment Insurance	91,773	39,400	45,683	62,954	43,829	68,307	71,490	57,246	96,000	98,880
Administrative Expense	7,850	7,929	900	10,864	43,863	850	2,175	11,963	10,000	10,000
Health Insurance	8,773,745	8,955,628	8,911,141	8,870,010	9,277,063	9,214,314	8,672,650	9,920,770	11,170,000	12,251,320
Employee Wellness		0	0	0	0	0	0	8,176	10,000	10,000
Life Insurance	38,901	43,327	60,822	52,536	65,967	45,417	50,334	50,176	66,000	66,000
Dental Insurance	369,796	400,535	408,307	404,287	383,264	420,000	413,094	384,307	450,000	470,000
Property & Liability Insurance	409,186	386,526	427,803	439,097	492,137	504,357	610,410	650,491	735,000	800,000
Total Expenses	\$14,529,371	\$15,036,921	\$15,527,671	\$15,625,933	\$16,451,862	\$16,905,784	\$16,891,575	\$18,599,379	\$21,000,000	\$22,646,043

Insurance and Benefits Expenditures FY16 - FY25



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

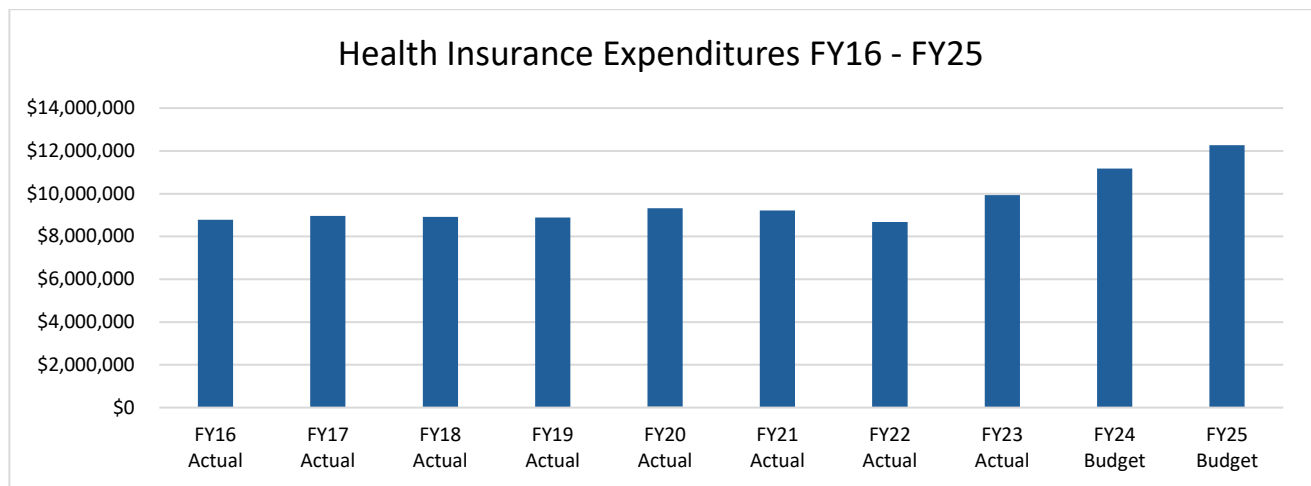
Health Insurance

As provided under Massachusetts General Law, Chapter 32B, the Town and School employees and retirees are enrolled in the health insurance plans with Massachusetts Interlocal Insurance Association (MIIA). There is an agreement with the Public Employee Committee (PEC) and the Town of Dracut with regards to the percentages and provider that the Town offers for its Health Insurance. The Town offers the following plans to its employees and retirees. The health insurance increase for FY24 was over 11% and FY25 is 9.95%

Town Plans (Individual or Family)	Employer %	Employee %
HMO Blue New England (Broad network)	75%	25%
HMO Blue Select (Limited network)	80%	20%
Blue Care Elect Preferred Provider Organization (PPO)	75%	25%
Retiree Med-ex Plan	78%	22%
Managed Blue for Seniors w/Select PDP Option (HMO)	78%	22%

Current Plan Breakdown **	Individual	Family
Town Employees	55	86
School Employees	142	178
Town Retirees	170	32
School Retirees	435	24

*** These numbers can change monthly*



Dental Insurance

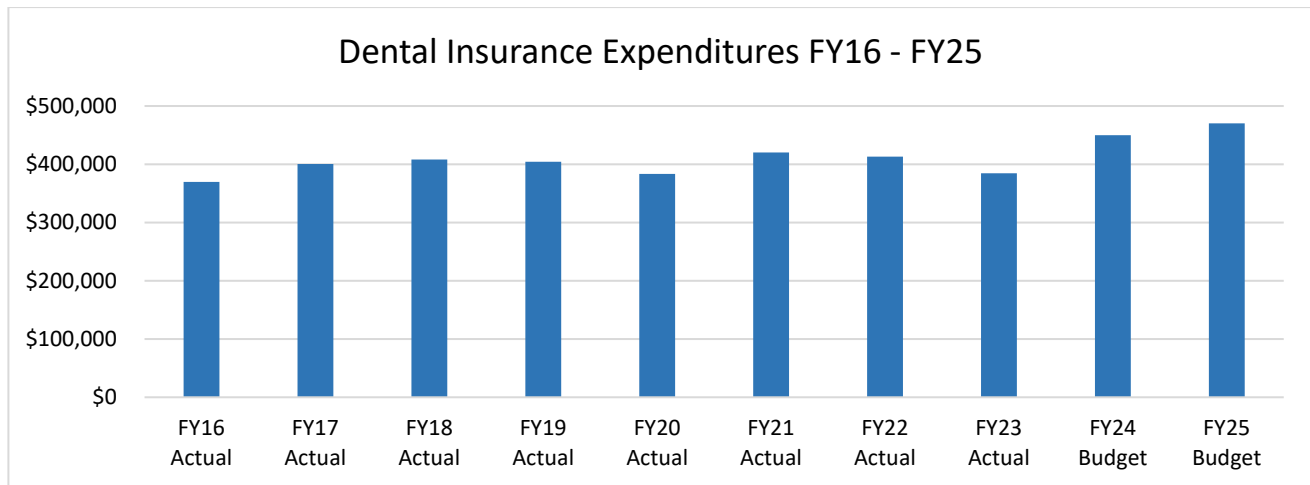
The Town and School employees and retirees are enrolled in the dental insurance plans with Massachusetts Interlocal Insurance Association (MIIA). There is an agreement with the Public Employee Committee (PEC) and

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

the Town of Dracut with the percentages and provider that the Town offers for its Dental Insurance. The employer and employee split for the Dental Insurance is 50%/50%.

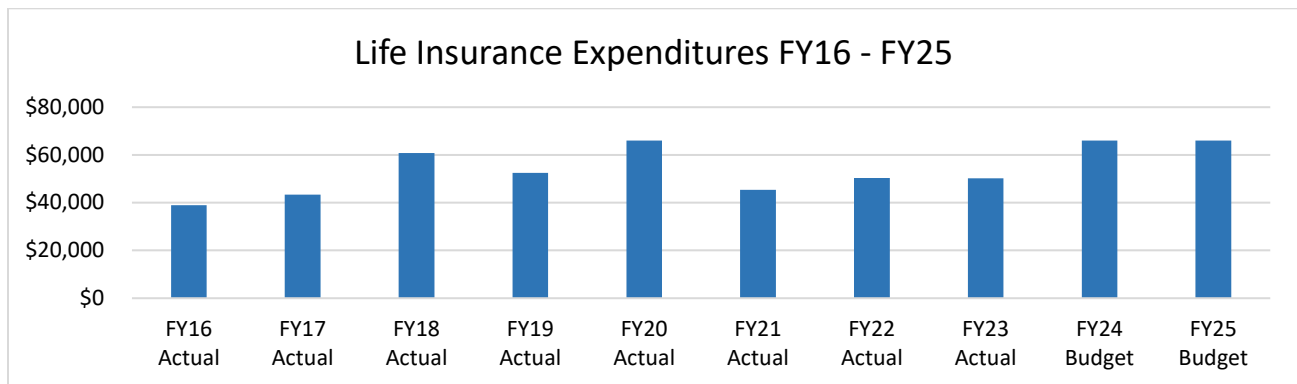
Current Plan Breakdown **	Individual	Family
Town Employees	60	98
School Employees	146	183
Town Retirees	58	64
School Retirees	134	141

*** These numbers can change monthly*



Life Insurance

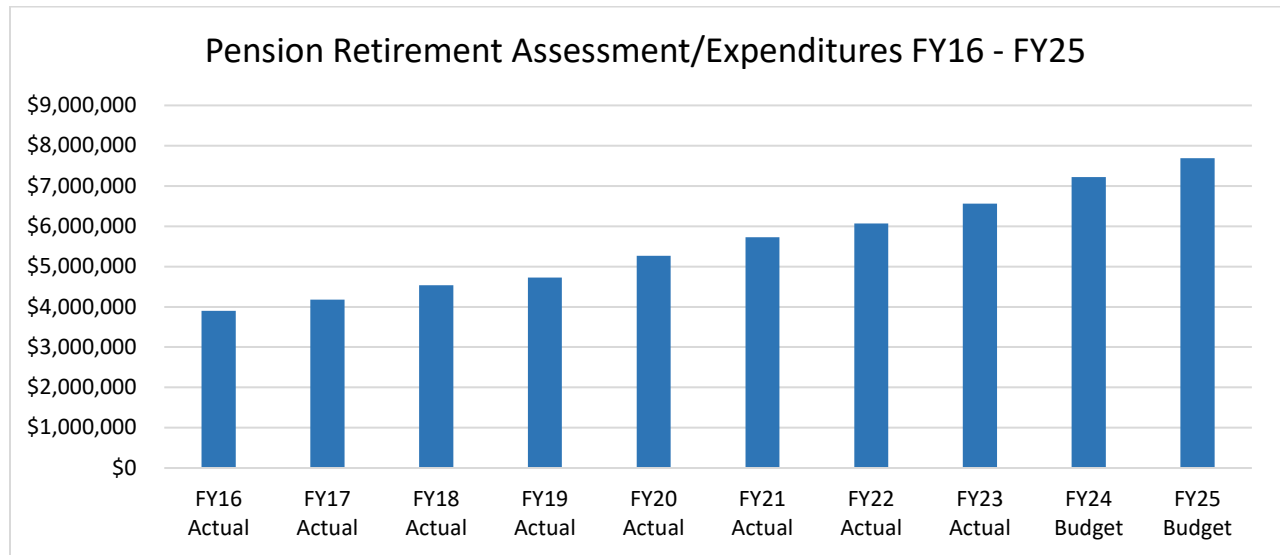
The Town and School employees and retirees are enrolled in term Life Insurance with Boston Mutual. The employer and employee split for Life Insurance is 80%/20%.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

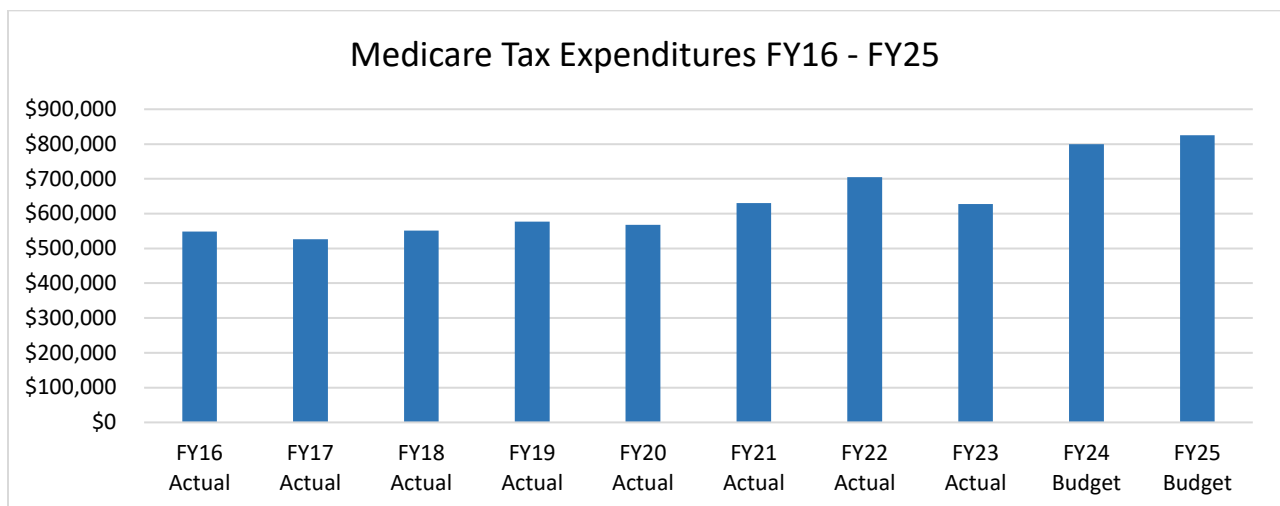
Retirement Assessment

As provided under Massachusetts General Law, Chapter 32, the Town participates in the Middlesex Retirement System (MRS), which all Town and school employees (not including teachers) contribute to. Teachers contribute to the Massachusetts Teachers Retirement System, which is funded through the state. The Town's annual Assessment is based on an actuarial analysis, which is conducted every two years by Middlesex Retirement System, determines the Town's pension liability and funding schedule.



Medicare Tax

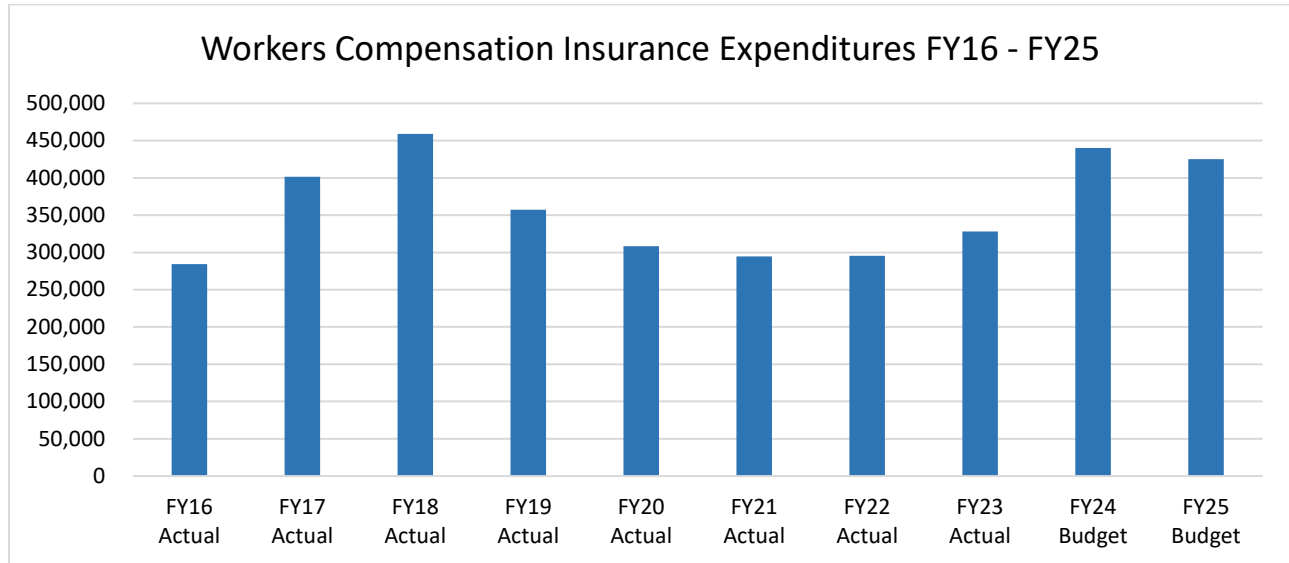
The Medicare tax is 1.45 % of payroll. This expenditure increase is due to increasing salaries, additional FTE, and continued retirements of longer serving employees who are not subject to the tax. Employees are not subject to FICA tax.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

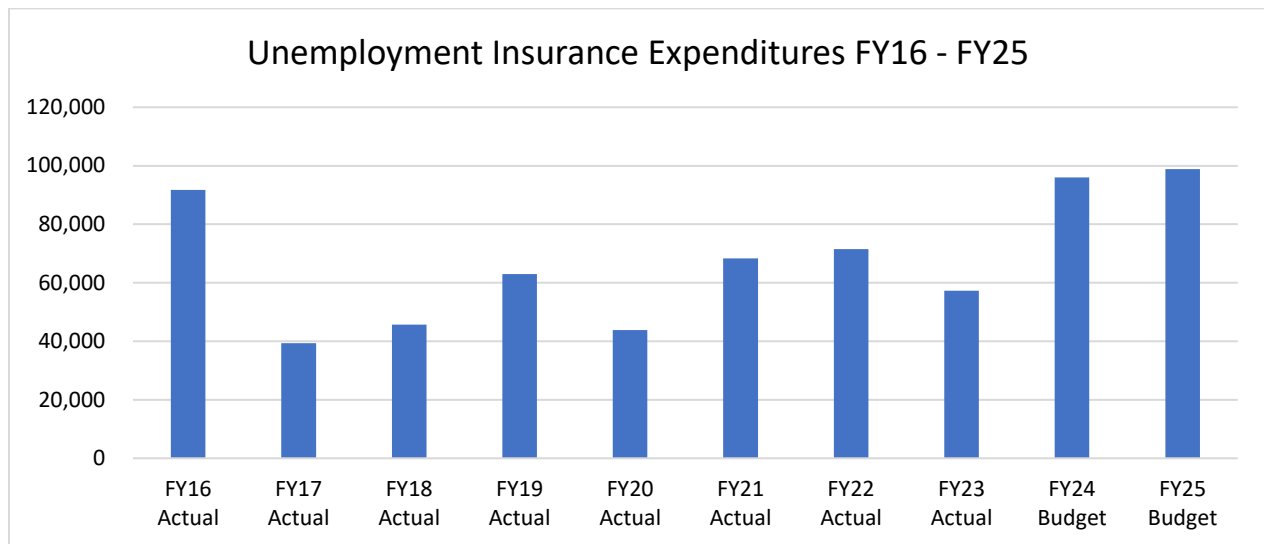
Workers Compensation Insurance

The Town's insurance with Massachusetts Interlocal Insurance Association (MIIA) premium is based on: 1) the Town's payroll for each insured class of Town and School employees; 2) the workers' compensation rates set by the State; and 3) the Town's claims experience. Due to recent claims experience, we are expecting an increase in premiums beyond the usual amount. The Town's increase for FY25 is projected to be 15%.



Unemployment Insurance

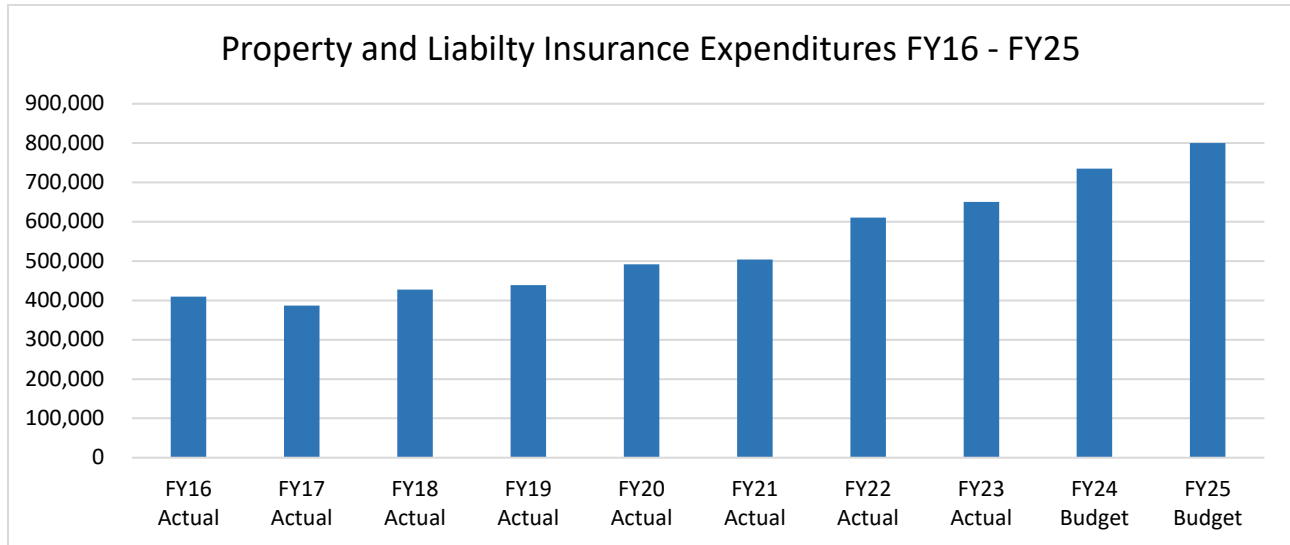
The Town pays a % of the gross wages for all employees (Town and School) to the Division of Unemployment Insurance. The Town received an increase from the state in the rate it pays for its unemployment insurance in FY24.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Property and Liability Insurance

Funding for premium charges and deductible associated with the various liability and casualty insurance policies carried by the Town are provided through Massachusetts Interlocal Insurance Association (MIIA), and CABOT for police and fire injured on duty claims. Due to the catastrophic events that have been occurring throughout the country, the Town is seeing a higher-than-normal increase in its liability insurance.



OPEB (Other Post Employment Benefits)

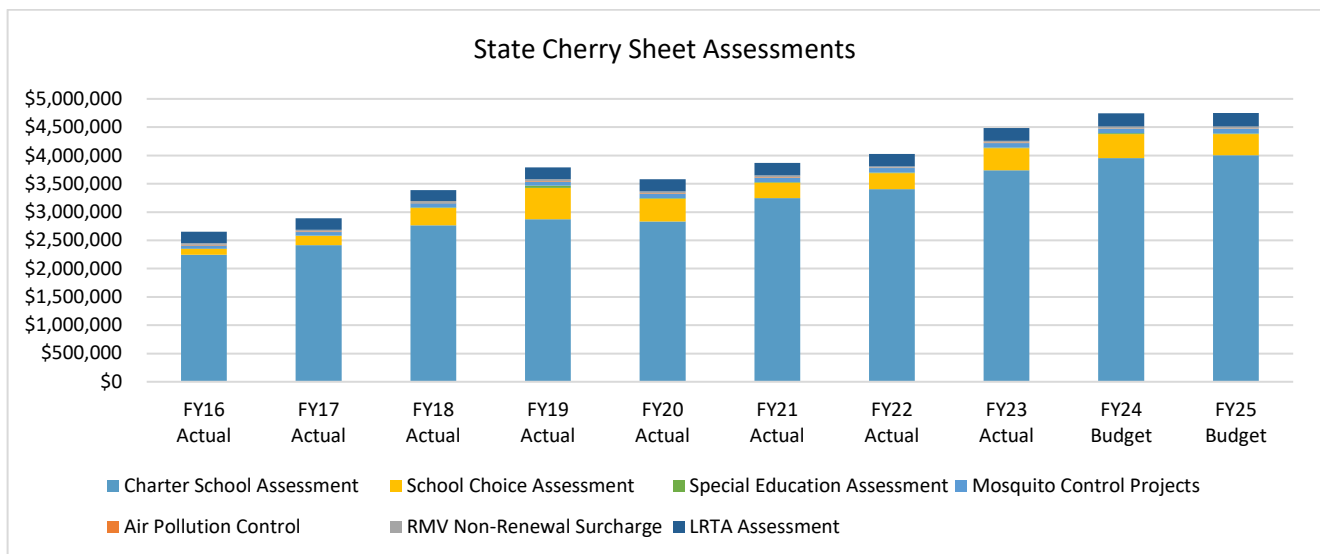
The Town of Dracut administers the retiree health care benefits program - a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees. The Town provides health care benefits for retirees and their dependents. Benefits are provided through the Town, and the full cost of benefits is shared between the Town and retirees. The current actuarial study shows that the Town's unfunded liability to be \$151M. The Town does have \$829K in an OPEB liability Trust, this is well short of the required amount that is needed. The last time the Town contributed to this fund was back in FY2019. Although the Town is not required to fund this liability, the liability must be reported in its Financial Statements. The Town currently pays for its retirees through a pay as you go process.

State Assessments

Chapter 59, Section 21 of the Massachusetts General Laws requires the Commissioner of Revenue to provide municipalities with their annual assessments which are shown on the State's Cherry Sheet. State Assessments include Mosquito Control Project, Air Pollution Districts, Registry of Motor Vehicle Non-Renewal Surcharge, Regional Transit, Special Education, School Choice Tuition and Charter School Tuition.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

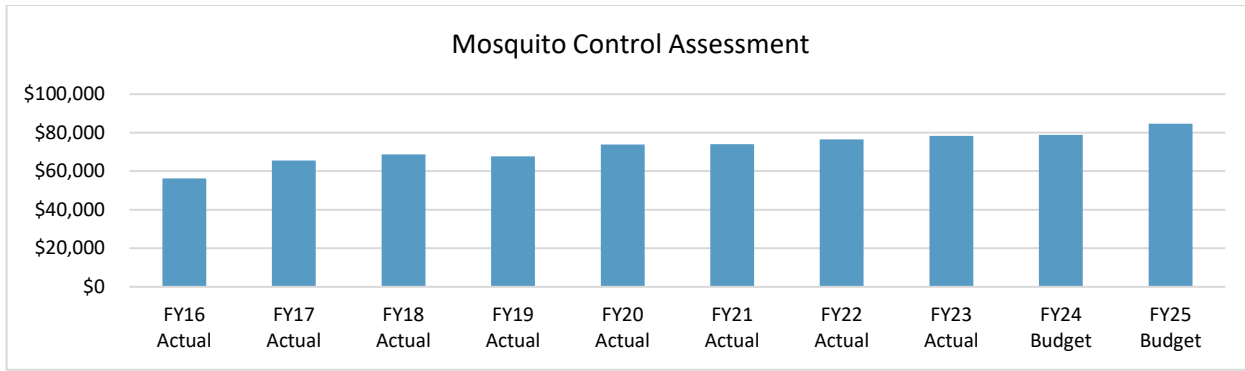
State Assessment	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Special Education Assessment	\$226	\$3,662	\$13,883	\$42,392	\$12,848	\$11,266	\$11,308	\$13,827	\$14,380	\$7,125
Mosquito Control Projects	56,196	65,476	68,657	67,775	73,829	73,998	76,476	78,409	78,874	84,602
Air Pollution Control	8,081	8,283	8,417	8,641	8,972	9,076	9,299	9,595	9,920	10,168
RMV Non-Renewal Surcharge	32,620	32,620	35,460	35,460	32,720	32,280	21,140	29,080	29,080	31,580
School Choice Assessment	108,837	162,481	308,111	553,803	401,039	275,190	286,247	387,072	423,451	372,889
Charter School Assessment	2,244,902	2,416,395	2,762,704	2,871,218	2,833,734	3,244,679	3,402,297	3,738,947	3,955,000	4,006,779
LRTA Assessment	201,130	202,375	189,536	209,323	214,549	219,827	221,819	228,252	235,188	239,482
Total Expenses	\$2,651,992	\$2,891,292	\$3,386,768	\$3,788,612	\$3,577,691	\$3,866,316	\$4,028,586	\$4,485,182	\$4,745,893	\$4,752,625



Mosquito Control Projects

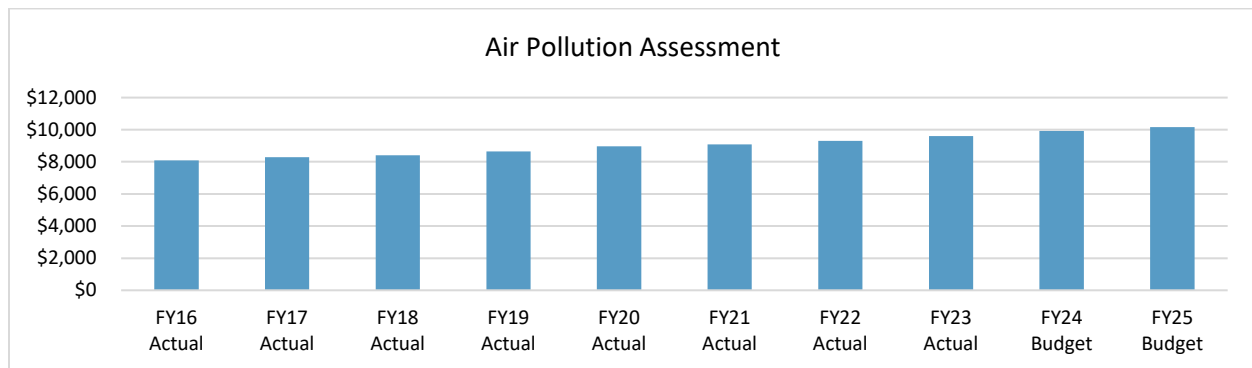
The purpose of this is to assess municipalities for the costs of mosquito control services. There are eight mosquito control districts whose costs are apportioned to member municipalities on the Cherry Sheet. Each district is also allocated a proportional share of expenses for the State Reclamation Board that administers these programs. Each district relies on a separate formula to apportion its assessment to its member municipalities. All formulas are based on Equalized Valuation; five of the districts' formulas also use land area as a component.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



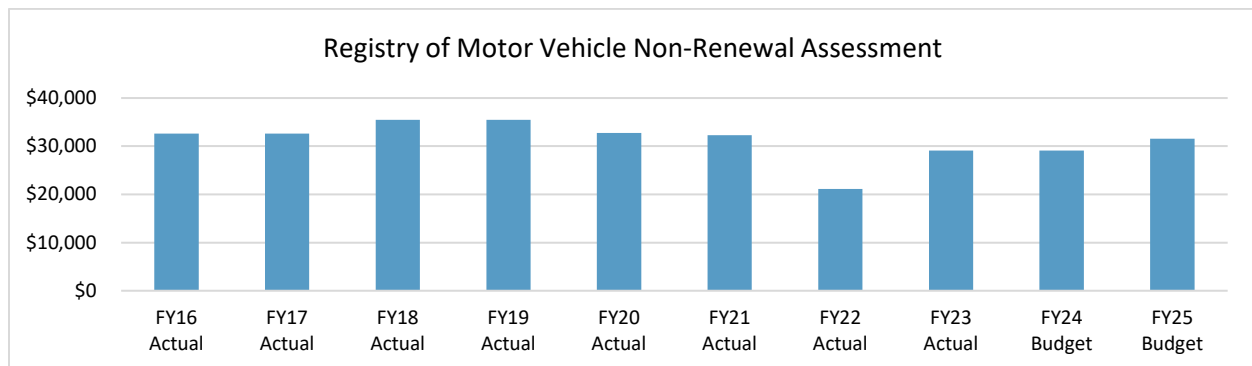
Air Pollution Districts

The State assesses municipalities for a portion of the costs incurred by the Department of Environmental Protection in monitoring air pollution levels and enforcing air quality standards at industrial, commercial, and institutional facilities.



Registry of Motor Vehicle Non-Renewal

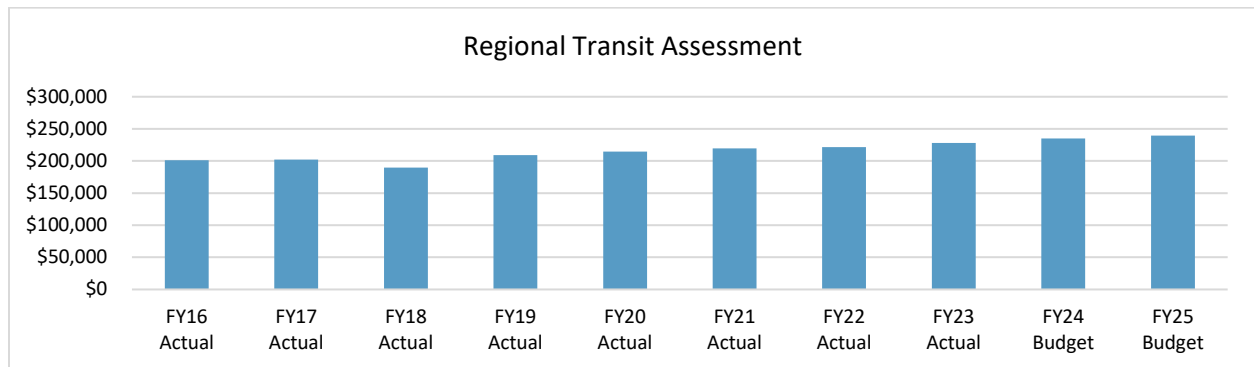
This assessment is to reimburse the Registry of Motor Vehicles for "marking" a license or registration for non-renewal due to non-payment of parking violations, non-payment of motor vehicle excise and non-payment of abandoned vehicle costs.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

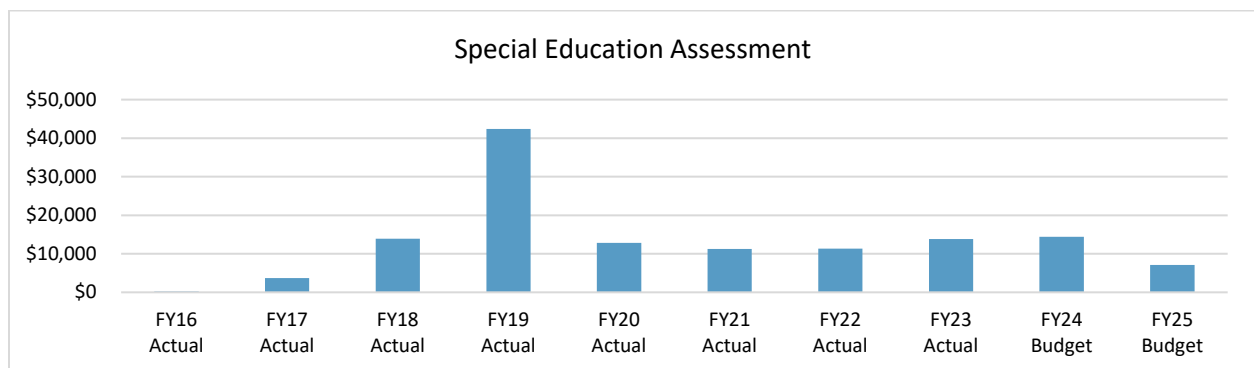
Regional Transit

This assessment to municipalities is to provide for a system of regional transportation authorities to develop, finance, and contract for the operation of transportation facilities and service outside the Metropolitan Boston area. Between 25 - 50 percent of the total net cost of service of each regional transit authority is assessed to its member municipalities in proportion to the estimated cost of operating routes through those municipalities.



Special Education

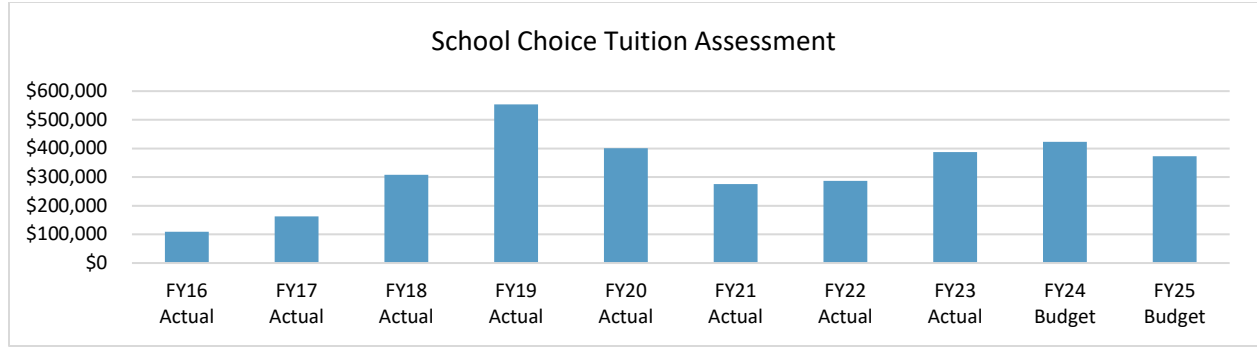
This assessment is to partially reimburse the state for providing special needs education to children enrolled in state hospital schools. The cost that each municipality is charged is the average per pupil cost of education within the school district multiplied by the Full Time Equivalent of resident pupils served by the state.



School Choice Tuition

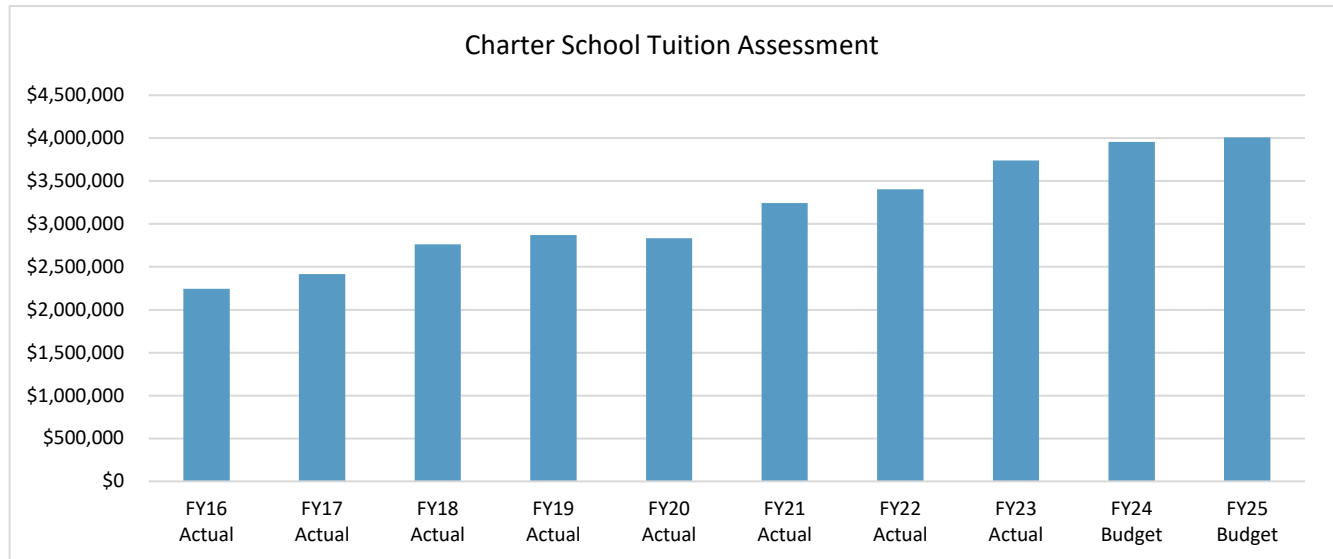
This assessment is for pupils attending another school district under school choice. School choice tuition charges are assessed against the sending district and paid to the receiving school district. The sending district is defined as the one a pupil would normally have attended had he or she stayed in their local school system.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Charter School Tuition

This assessment is for pupils attending charter schools. Charter school tuition charges are assessed against the sending district and paid to the charter school district. Charter Schools shall receive per-pupil payments from sending districts equal to the average cost per student in that district, plus a capital funding share equal to the state average of what districts pay per pupil in principal and interest for land and buildings. Charter schools are required to submit actual enrollment reports to ESE in October and March of the current year. These figures are used to calculate tuition rates for the current year. Any changes to enrollment figures and tuition rates will alter a district's remaining assessments. Enrollment information for Charter School is shown in the school section of this document.



Capital Expenditures – General Fund

The Town's general fund capital expenditures, excluding Enterprise Funds, are requested by all departments. Each year the Capital Planning Committee reviews the request, and presents their recommendations to Town Meeting. The Town funds its capital needs from several funding sources.

Free Cash: - As discussed above, Free Cash is our reserves. DOR recommends that the Town spend Free Cash on one-time expenditures such as capital rather than on reoccurring operating expenses.

Retained Earnings: - The stormwater enterprise will use their retained earnings to fund small capital requests.

Capital Stabilization: - The Town created a capital stabilization fund to fund its capital and equipment needs in the Department of Public Works and Fire Department.

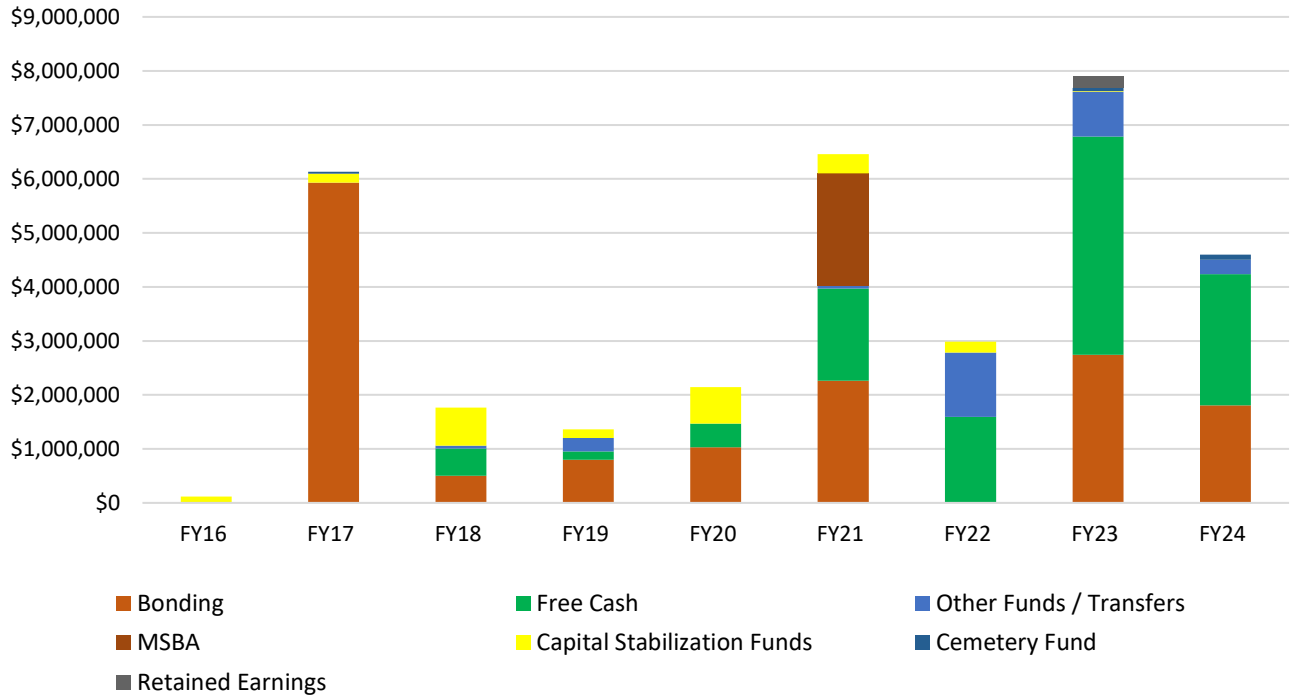
Other Funds: - These are available funds from previous projects that were approved at Town Meeting, which these projects were completed, and the remaining unspent balances were transferred to other capital projects with the approval of Town Meeting.

Non-Excluded Debt: The town often has capital requests that are too large to fund using Free Cash or other available funds. The town is allowed to issue bonds to pay for larger projects over a certain period of time. The most common request for borrowing is what's referred to as non-excluded debt. Non-excluded debt does not increase the tax levy, rather, it is absorbed within the operating budget and competes with other operational needs of the town. Authorizing non-excluded debt only requires a 2/3 majority vote at Town Meeting.

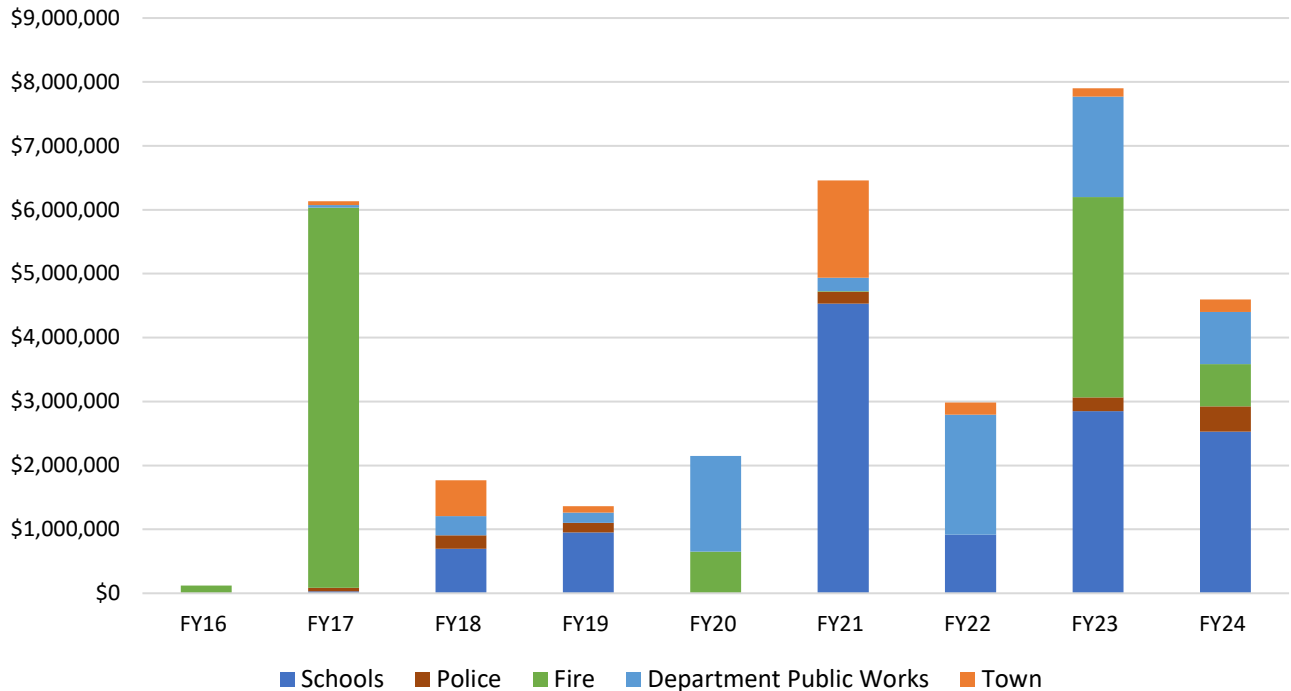
Excluded Debt: Similar to a property tax override, the Town may also vote for a debt exclusion. A debt exclusion is a temporary tax increase that affects all property owners in town. The word "exclusion" means that the additional tax is excluded from the limits of Proposition 2 ½. Debt exclusions are considered to pay for larger capital projects that the annual debt service costs are too large to absorb within the annual operating budget. The additional tax is added onto the levy limit and assessed across all the real and personal property in town. Although debt exclusions are temporary tax increases, many projects are bonded over a 20-year period, so residents are paying for the project over a long period of time. A debt exclusion requires a two-thirds vote at Town Meeting and a majority election ballot vote. Per Massachusetts law, a two-thirds vote of the Board of Selectmen is required to place an exclusion question on an election ballot.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

General Fund Capital Projects - Funding Source



General Fund Capital Projects - Funding by Department



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

CAPITAL PROJECTS FY16 – FY24

Capital Description	Department	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Communication Back Bone Equipment	Fire	\$120,000								
Data VIS	Police		\$10,000							
Altair Gas Detectors	Fire		\$18,213							
Classroom Computers	Schools		\$30,000							
Bailey Cemetery	DPW		\$40,000							
Cruiser Technology MDT	Police		\$44,000							
Voting Machines	Elections		\$63,000							
Fire Station	Fire		\$5,930,000							
Stone Miser	DPW			\$3,456						
HD Mower	DPW			\$6,000						
John Deere Z Tractor	DPW			\$7,500						
Gang Mower	DPW			\$13,000						
Compressor	DPW			\$15,127						
Brush Mower	DPW			\$25,500						
Trowel Sander	DPW			\$35,000						
Chevy Utility Body	DPW			\$37,000						
Security Camera Police	Police			\$60,000						
School Building Repairs	Schools			\$85,000						
School Fiber	Schools			\$100,000						
Town Fiber	Schools			\$110,000						
Marked Police Vehicles	Police			\$150,000	\$150,000		\$186,000		\$191,000	\$200,000
Freightliners Lease	DPW			\$161,874	\$161,874	\$161,874	\$161,874			
School Fiber	Schools			\$400,000						
LED Lights	Town			\$557,300						
Town Equipment	Town				\$100,000					\$65,000
School Security	Schools				\$950,000					
Mammoth Road and Lakeview Ave	DPW					\$138,000				
DPW Equipment	DPW					\$165,184				\$75,000
Fire Engine Replacement	Fire					\$300,000				
1250n GPM Pumper	Fire					\$350,000				
Fields	DPW					\$1,031,250				
Face Piece Fit Test Machine Fire	Fire						\$8,335			
Stormwater Fending	Stormwater						\$50,000			
School Classroom Computers	Schools						\$186,600			
Council on Aging	COA						\$1,520,000			
Englesby and Brookside Roofs	Schools						\$4,346,000			
Library Sidewalk	Library							\$25,520		
Richardson School HVAC	Schools							\$26,772		

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Capital Description	Department	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
General By-Law Rewrite	Town							\$40,000		
Brookside School Handicap Lift	Schools							\$51,600		
Greenmont Roof	Schools							\$54,400		
Englesby HVAC Management System	Schools							\$90,000		
Zoning Bylaw Rewrite	Town							\$125,000		
DPW Vehicle Purchase	DPW							\$200,000		
DPW Dump Truck - Lease	DPW							\$203,500	\$203,500	\$199,700
Richardson School Flooring	Schools							\$250,000		
School Playground	Schools							\$442,000		
DPW Building	DPW							\$1,478,000		
John Deere Zero Turn Lawnmower	DPW								\$10,000	
Veterans Memorial Maintenance Project	Veterans								\$10,000	
Police Department Flooring	Police								\$25,000	
Audio Visual Technology	Library								\$27,000	
Cemetery Paving - Richardson	DPW								\$60,000	
F-350 Utility Body - Forestry Skid Unit	Fire								\$68,000	
210 Chevy Pick Up Truck	DPW								\$70,000	
Harmony Hall - Cable	Town								\$92,672	
Breathing Air Compressor	Fire								\$100,000	
Refurbished Engine 1 2009	Fire								\$100,000	
Kelly Road Design	DPW								\$150,000	
District - Replace Network Switching	Schools								\$200,000	\$177,500
DPW Roof Replacement	DPW								\$230,600	
Top Soil Screener (Doppstadt SM)	DPW								\$351,000	
Fire Squad 3 Mini Pumper	Fire								\$395,000	
Roads Resurfacing & Hardscape Improvements	DPW								\$500,000	\$200,000
Fire Engine 1 Pumper	Fire								\$830,000	
Fire Tower Ladder Truck	Fire								\$1,640,000	
School Complex - Pedestrian Safety	Schools								\$2,649,225	
Police Radio Digital Infrastructure Equipment	Police									\$18,000
Election & Registration Equipment	Elections									\$30,000
Cargo Van - Used	Police									\$35,000
Jones Ave Station 2 Roof Replacement	Fire									\$42,000
Lucas 3 Chest Compression System	Fire									\$44,000
Detective Response Vehicle Replacement	Police									\$65,000
Fire Gear and Equipment	Fire									\$74,000
Mobile Data Terminals with E-Ticket	Police									\$80,000
Cemetery Dump Truck Replacement	DPW									\$90,000
Deputy Chief's Vehicle	Fire									\$100,000

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Capital Description	Department	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Library Roof Replacement	Library									\$100,000
DPW Multi Purpose Truck Replacement	DPW									\$250,000
Fire Truck Squad 1	Fire									\$400,000
Solar Panels	Schools									\$2,350,000

Total Capital

\$120,000	\$6,135,213	\$1,766,757	\$1,361,874	\$2,146,308	\$6,458,809	\$2,986,792	\$7,902,997	\$4,595,200
-----------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

ARPA (American Rescue Plan Act)

The American Rescue Plan Act of 2021 (ARPA) was passed by the federal government to support communities across the country in responding to and recovering from the COVID-19 pandemic. Federal funds from ARPA are intended to address the negative health and economic impacts caused by the pandemic. Dracut received \$9,455,618 in ARPA funding. The Town of Dracut has dedicated the ARPA funds to infrastructure and Capital Improvements in the Town that are long overdue. ARPA funding is available for use until the end of 2024. This means projects must be under contract by the end of 2024 and expended by the end of 2026. The Town has committed \$7,119,799 to date and will need to commit (contract) the remaining \$2,335,820 by December 31, 2024. Projects the Town is considering are the purchase of the Brox Property (Proper Farm), payment of the to be bonded fire truck to be delivered in February 2025, and payment of another fire truck to be delivered in the Fall 2024.

- **Camera Truck (\$554,653)** - This truck is being used by the DPW, Stormwater and Water/Sewer Divisions to camera Stormwater, Water and Sewer Lines that normally would be contracted out.
- **VACTOR Truck (\$525,205)** - This truck is being used by the DPW, Stormwater and Water/Sewer Divisions to address Stormwater, Water and Sewer Lines that normally would be contracted out.
- **Tally Ho Road Drive (\$982,519)** – These funds were used to repair and reconstruction of Tally Ho Road Drive, which was in deplorable condition.
- **Lakeview Ave Culvert (\$1,885,000)** – These funds are being used for the replacement of Lakeview Ave Culvert, which is failing.
- **Helen Road Retaining Wall (\$480,656)** – These funds are being used for the replacement of the retaining wall on Helen Drive which is failing.
- **Library HVAC Replacement (\$125,965)** – These funds were used to replace the HVAC Roof Top unit at the library.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

- **Saw Mill Drive Culvert Replacement (Est. \$1,350,992)** – These funds are being used for the replacement of Saw Mill Drive Culvert, which is failing.
- **Parker Ave Bridge Concept Design (\$21,700)** – These funds were used to study the Parker Ave Bridge and prepare information for the Town to file for Federal Funds in the future for its replacement.
- **Veterans Park Sidewalk Replacement (\$79,655)** – These funds were used in conjunction with a state grant to repair and replace the sidewalk at Veterans Park.
- **Brookside School Playground (\$85,000)** – These funds were used in conjunction with Town authorized Capital Funds and School Funds for the replacement of the playground at Brookside School.
- **Complete Streets Engineering (\$85,700)** – These funds were used for the Design of the Complete Streets in the Lakeview Ave Area for a grant the Town will be receiving to perform this work.
- **Library Boiler Replacement (\$246,558)** – These funds were used to replace the failed boiler at the library.
- **IT Replacement Computers (\$41,568)** – These funds were used to replace obsolete computers and servers that Windows was expiring.
- **Fire Station #2 Flooring (\$12,700)** – These funds were used to replace the rug and flooring at the Fire Station that was in deplorable condition.
- **DPW Lease Payment (\$200,000)** – These funds will be used to pay the final lease payment of the DPW trucks that were authorized and purchased three years ago, in lieu of using free cash.
- **Police Air-Cooled Chiller Replacement and RMS System (\$200,000)** – The Police Department Compressor and RMS system has failed and is being replaced.
- **Fire Station Roof Replacement (\$210,000)** – These funds will be used to replace the main Fire Station roof, which is showing signs of failing and leaks.
- **Police Training Room Upgrades (\$30,248)** – These funds will be used to upgrade the police training room with the proper training equipment.
- **Auditors (\$1,680)** – These funds are used for review and oversight of the ARPA Funds according to federal guidelines.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Enterprise Funds

The Town's Enterprise Funds include Sewer, Water, Stormwater and PEG Cable. Enterprise accounting allows a community to demonstrate to the public the total cost of providing a service by consolidating all the program's direct and indirect costs (e.g., interdepartmental support, insurance costs, etc.), debt service, and capital expenditures into a segregated fund. Establishing an enterprise fund does not create a separate, autonomous entity from the municipal government operation. Like every other department, the municipal department overseeing the enterprise service prepares a budget to be reviewed and analyzed. The budget and any line-item transfers among the enterprise fund's appropriations still require action by town meeting. The enterprise-related department must fulfill the same financial and managerial reporting requirements as any other department.

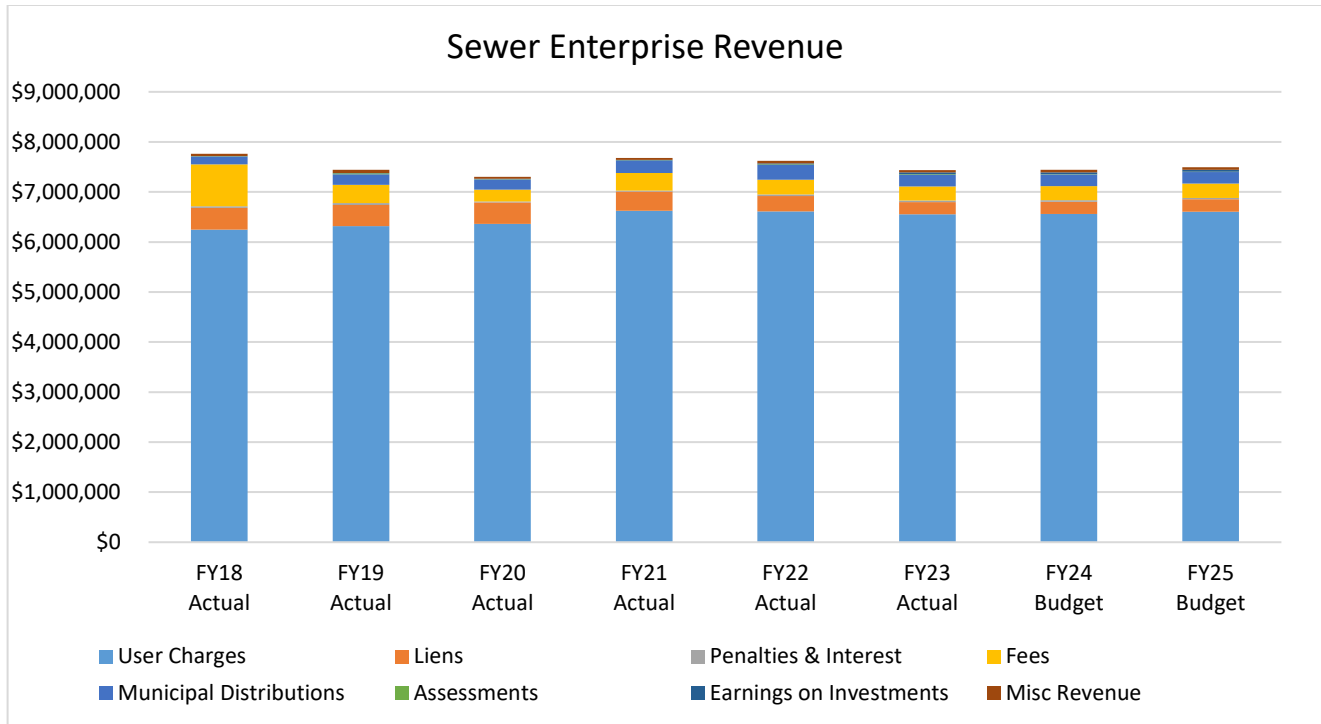
Sewer Enterprise Funds

The Dracut Sewer Department is the Town's municipal wastewater system. It is a consecutive system through Lowell to the Lowell Regional Wastewater Utility (LRWWU) and through Methuen to the Greater Lawrence Sanitary District (GLSD). The Sewer Department and its staff currently owns and maintains seventeen (17) Sewer Lift/Pump Stations, with contracted assistance from Watermark Environmental Inc. Dracut Sewer Department staff also maintain, troubleshoot, and repair the sewer system main lines as needed.

The Sewer Enterprise Division consists of five (5) full-time employees, which are shared with the Kenwood Water Division. Expenses include salaries, contracted services, sewer flow charges, utilities (electric and gas), telephone, debt services, capital, office supplies and indirect cost. The indirect cost represents the transfer of chargebacks that are not budgeted for in the Enterprise Fund. These costs include Insurance and Benefits, central service department costs in Collections, Treasury, Accountant, IT, Legal, Town Manager, Human Resources, Engineering, Planning and Department of Public Works. The FY24 transfer to the general fund was \$840,000. The budgeted transfer for FY25 is \$840,000.

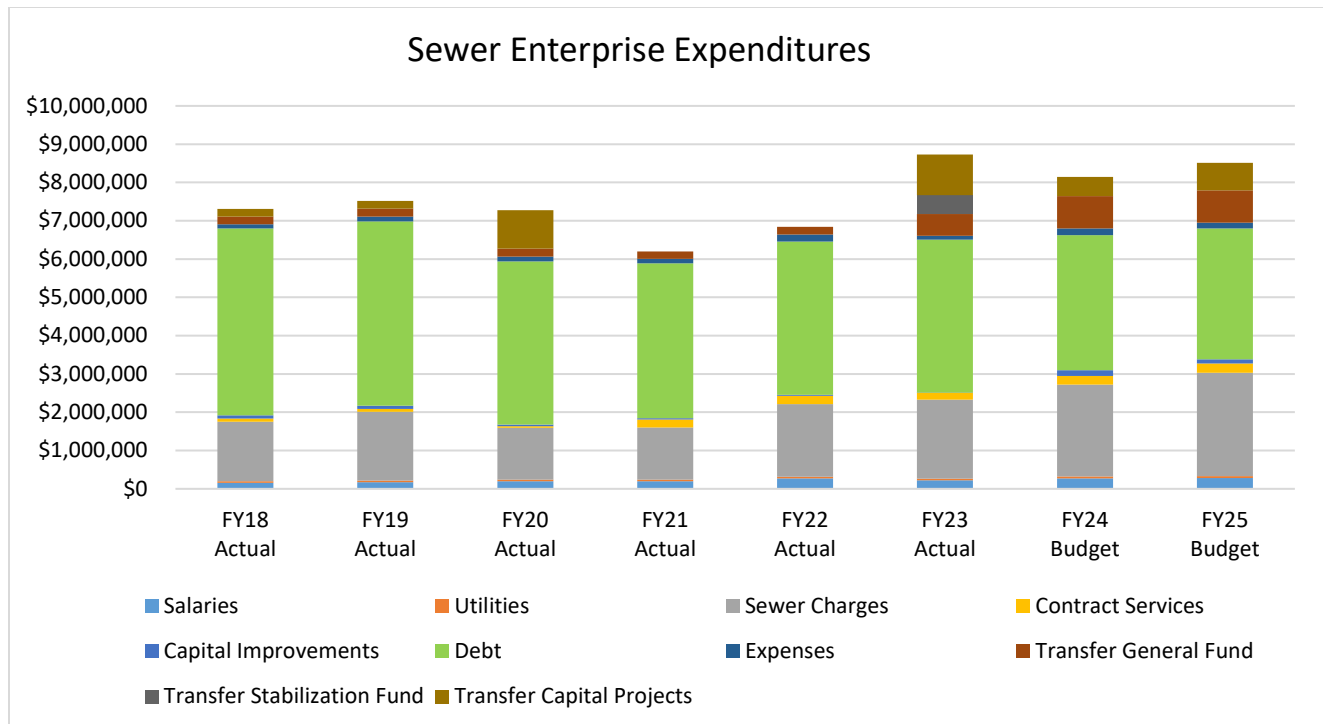
Sewer Revenue	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
User Charges	\$6,248,880	\$6,318,669	\$6,363,391	\$6,623,142	\$6,609,526	\$6,551,107	\$6,557,419	\$6,607,276
Liens	\$431,625	\$418,176	\$429,276	\$381,273	\$309,246	\$245,808	\$245,000	\$245,000
Penalties & Interest	\$32,597	\$40,239	\$16,485	\$20,101	\$29,259	\$30,479	\$30,000	\$30,000
Fees	\$836,567	\$366,900	\$237,000	\$355,400	\$298,200	\$282,950	\$282,000	\$282,000
Municipal Distributions	\$152,588	\$210,153	\$204,899	\$241,131	\$293,768	\$230,393	\$230,000	\$230,000
Assessments	\$9,376	\$15,529	\$4,982	\$4,981	\$10,255	\$9,376	\$10,000	\$10,000
Earnings on Investments	\$8,542	\$7,756	\$8,029	\$11,769	\$22,643	\$38,288	\$38,000	\$38,000
Misc Revenue	\$40,129	\$65,286	\$40,456	\$41,572	\$48,744	\$50,343	\$50,000	\$50,000
Total Revenue	\$7,760,304	\$7,442,708	\$7,304,518	\$7,679,369	\$7,621,641	\$7,438,744	\$7,442,419	\$7,492,276
Retained Earnings - Budget	\$0	\$0	\$450,550	\$0	\$0	\$0	\$200,000	\$300,000
Retained Earnings - Capital	\$200,000	\$200,000	\$1,000,000	\$0	\$0	\$1,560,000	\$500,000	\$725,000

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

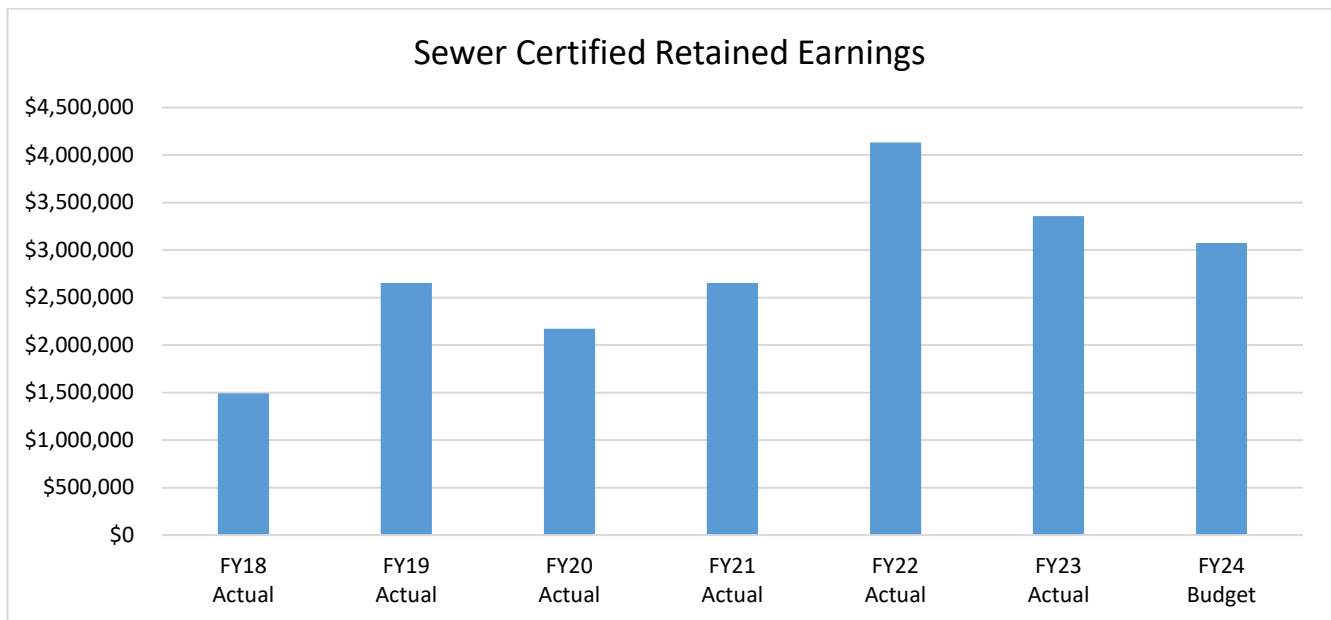


Sewer Expenses	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$154,586	\$174,639	\$194,926	\$195,878	\$270,336	\$220,896	\$275,799	\$281,155
Utilities	\$40,704	\$42,667	\$43,192	\$44,067	\$48,878	\$47,904	\$49,500	\$52,500
Sewer Charges	\$1,557,502	\$1,796,846	\$1,353,500	\$1,362,337	\$1,896,349	\$2,056,778	\$2,400,000	\$2,700,000
Contract Services	\$86,894	\$73,976	\$47,729	\$206,051	\$217,661	\$185,103	\$220,000	\$240,000
Capital Improvements	\$82,306	\$83,331	\$39,994	\$39,320	\$24,723	\$2,287	\$150,000	\$110,000
Debt	\$4,875,773	\$4,813,320	\$4,260,993	\$4,040,353	\$3,998,951	\$3,997,983	\$3,531,120	\$3,418,571
Expenses	\$114,248	\$125,249	\$123,963	\$115,458	\$187,229	\$101,166	\$176,000	\$150,050
Transfer General Fund	\$199,816	\$207,495	\$210,195	\$195,000	\$195,000	\$561,000	\$840,000	\$840,000
Transfer Stabilization Fund	\$0	\$0	\$0	\$0	\$0	\$500,000	\$0	\$0
Transfer Capital Projects	\$200,000	\$200,000	\$1,000,000	\$0	\$0	\$1,060,000	\$500,000	\$725,000
Total Expenses	\$7,311,829	\$7,517,523	\$7,274,492	\$6,198,464	\$6,839,128	\$8,733,118	\$8,142,419	\$8,517,276
Employees (FTE)	5	5	5	5	5	5	5	5

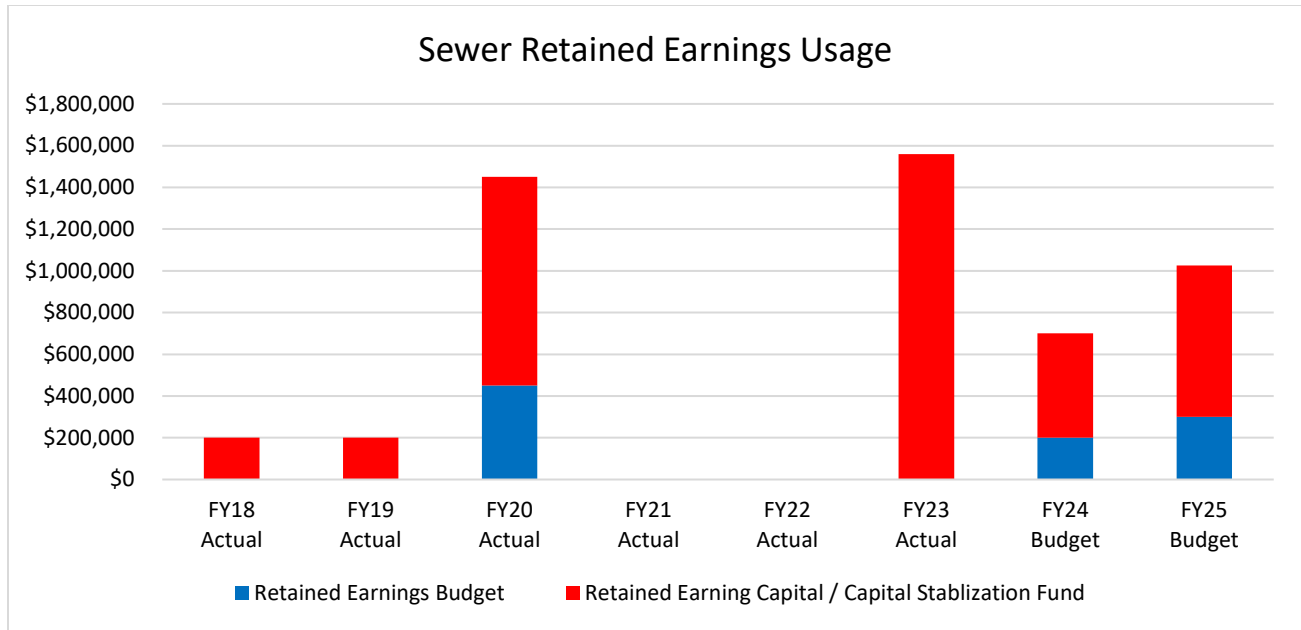
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Retained Earnings – This is the portion of Unreserved Retained Earnings that is certified by the Bureau of Accounts as available for appropriation, like Free Cash. Certification requires submission of a June 30 balance sheet accompanied by all information necessary to calculate free cash in the general fund and retained earnings in the enterprise fund. Once certified, retained earnings may be appropriated through the following June 30 and no appropriation may be in excess of the certified amount.



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Sewer Capital Funds - The Town's Sewer Enterprise Capital projects are projects either funded through borrowings or available retained earnings.

Sewer Capital Projects	Department	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Closed Circuit TV	Sewer	\$200,000						
Merrimack Ave Sewer Pump Station	Sewer		\$200,000					
Sewer Lining Repair and Replacement	Sewer			\$1,000,000			\$1,000,000	\$500,000

Total Sewer Capital

\$200,000	\$200,000	\$1,000,000	\$0	\$0	\$1,000,000	\$500,000
------------------	------------------	--------------------	------------	------------	--------------------	------------------

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Sewer Debt Schedule - These payments are for debt issues for sewer capital projects.

Project	Bond Date	Mature FY	Principal	Interest	Total P&I
Mass Clean Water Trust 05-03	12/14/06	2027	\$ 289,013	\$ 8,747	\$ 297,760
Mass Clean Water Trust 05-03 A	12/18/07	2028	56,263	2,279	58,542
Mass Clean Water Trust 07-26	03/18/09	2029	780,217	39,635	819,852
Mass Clean Water Trust 08-15	07/08/10	2031	814,088	58,288	872,376
Mass Clean Water Trust 07-26A	06/06/12	2031	3,390,389	242,730	3,633,119
Mass Clean Water Trust 08-18	06/06/12	2031	3,474,853	286,390	3,761,243
Mass Clean Water Trust 10-01A	05/22/13	2033	142,361	14,644	157,005
Sewer Refunding	12/01/14	2025	430,000	12,900	442,900
Mass Clean Water Trust 11-08	05/14/15	2033	2,162,233	222,418	2,384,651
Sewer Refunding	08/19/15	2027	343,000	20,310	363,310
Sewer Bond	08/19/15	2036	430,000	82,100	512,100
Mass Clean Water Trust 13-24	02/11/16	2036	3,054,002	412,653	3,466,655
Mass Clean Water Trust 08-18A	02/11/16	2030	8,899	634	9,533
Mass Clean Water Trust 12-11	12/16/16	2035	5,547,655	689,552	6,237,207
Mass Clean Water Trust 13-24A	04/13/17	20337	126,893	18,528	145,421
Sewer	09/18/18	2039	34,000	7,463	41,462
Sewer Refunding	09/18/18	2031	930,000	109,450	1,039,450
Sewer Refunding	04/22/21	2034	580,000	142,000	722,000
Sewer Total			\$ 22,593,866	\$ 2,370,721	\$ 24,964,586

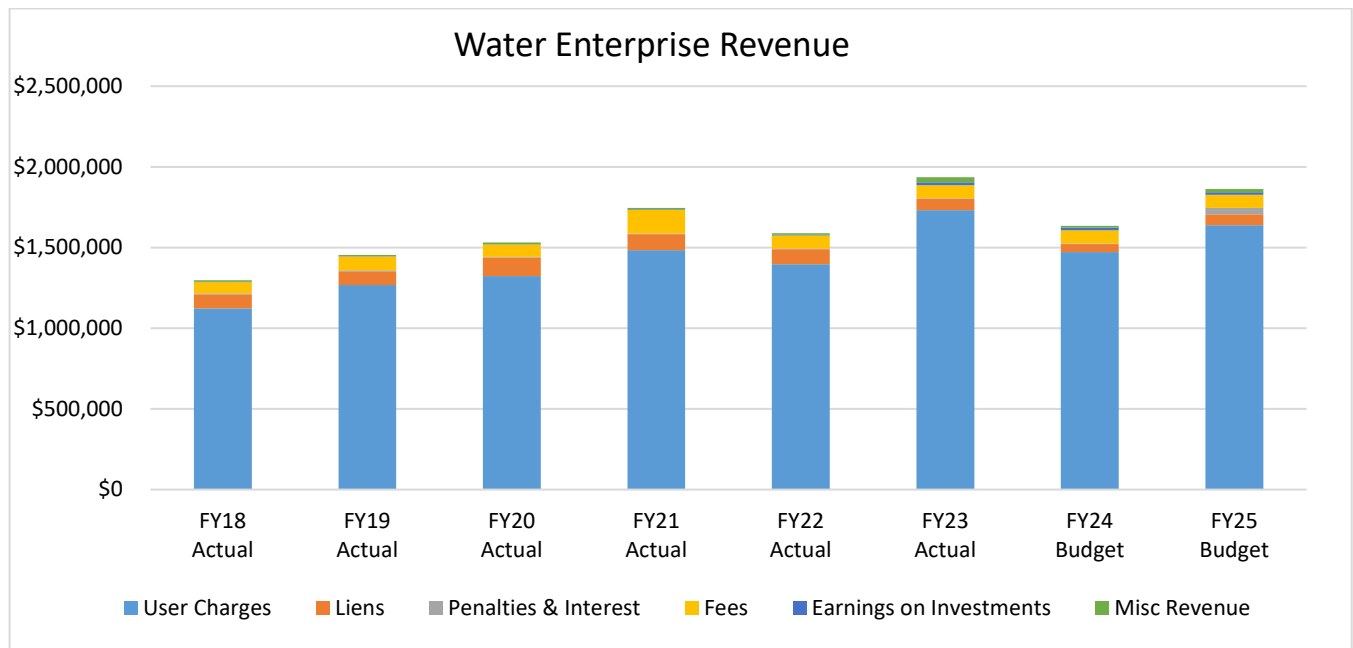
Water Enterprise Funds

The Kenwood Water Department owns and operates the Kenwood Water Distribution System located in the eastern portion of the Town of Dracut. The system provides water to over 2,000 customers, with the majority being residential. The Department issues permits and conducts inspections of all work related to water service lines; is responsible for the installation and maintenance of water meters; facilitates repairs of the system; and provides information related to the system as needed to residents, contractors, and engineers. Operation and maintenance of booster and meter stations, sampling and reporting to MassDEP and the EPA, and hydrant and valve operations are the responsibility of our Contractor, Weston & Sampson Services, Inc.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

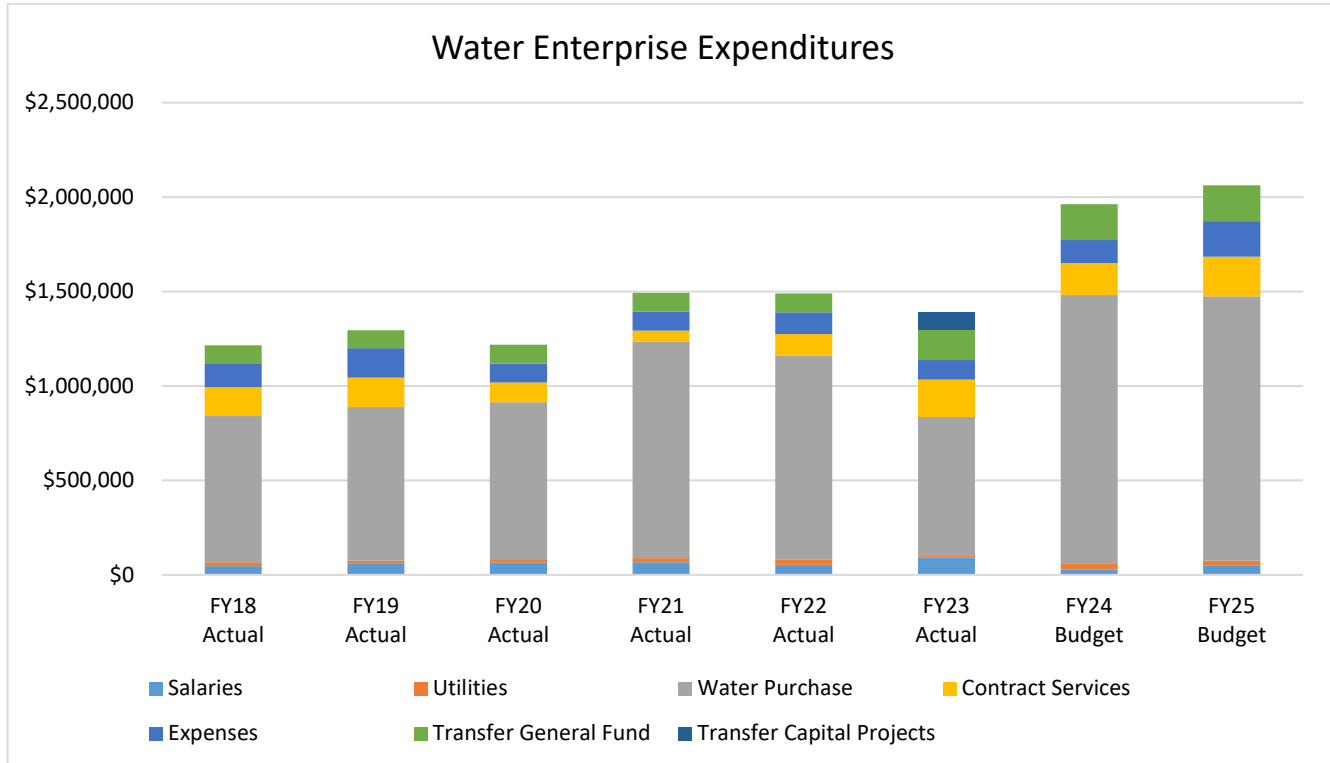
The Water Enterprise Division consists of five (5) full-time employees, which are shared with the Sewer Division. Expenses include salaries, contracted services, water purchase, utilities (electric and gas), telephone, capital, office supplies and indirect cost. The indirect cost represents the transfer chargebacks that are not budgeted for in the Enterprise Fund. These costs include Insurance and Benefits, central service department costs in Collections, Treasury, Accountant, IT, Legal, Town Manager, Human Resources, Engineering, Planning and Department of Public Works. The FY24 transfer to the general fund was \$191,000. The budgeted transfer for FY25 is \$191,000.

Water Revenue	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
User Charges	\$1,122,441	\$1,266,732	\$1,323,943	\$1,484,118	\$1,396,470	\$1,732,588	\$1,471,887	\$1,638,226
Liens	\$87,207	\$85,824	\$114,335	\$99,718	\$93,041	\$68,500	\$50,000	\$68,000
Penalties & Interest	\$5,741	\$7,099	\$3,200	\$4,143	\$3,994	\$4,495	\$4,000	\$40,000
Fees	\$70,100	\$84,300	\$77,800	\$145,350	\$81,650	\$81,800	\$81,000	\$81,800
Earnings on Investments	\$1,753	\$1,667	\$2,303	\$4,208	\$3,978	\$17,881	\$17,000	\$15,000
Misc Revenue	\$10,421	\$8,254	\$9,201	\$7,759	\$10,668	\$29,983	\$10,000	\$20,000
Total Revenue	\$1,297,663	\$1,453,876	\$1,530,782	\$1,745,296	\$1,589,801	\$1,935,247	\$1,633,887	\$1,863,026
Transfer Retained Earnings - Budget	\$142,442	\$0	\$0	\$235,883	\$84,028	\$60,000	\$300,000	\$200,000
Transfer Retained Earnings - Capital	\$0	\$0	\$0	\$0	\$0	\$90,000	\$0	\$0



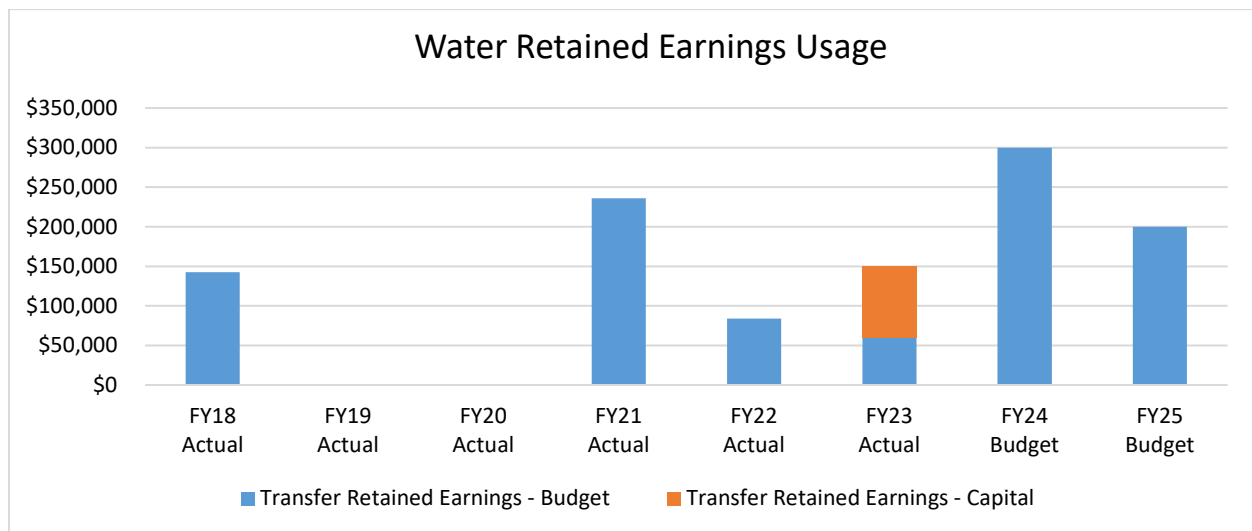
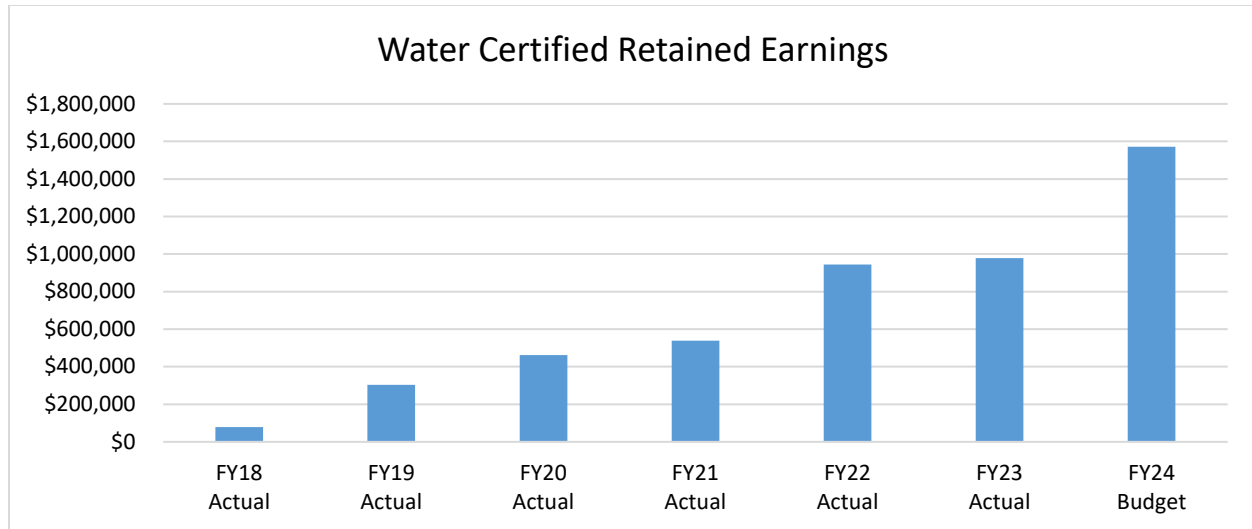
TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Water Expenses	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$46,758	\$57,747	\$65,089	\$66,028	\$52,997	\$91,804	\$28,387	\$48,026
Utilities	\$19,803	\$16,580	\$13,574	\$23,270	\$26,804	\$11,523	\$33,000	\$27,000
Water Purchase	\$774,284	\$814,611	\$835,274	\$1,146,854	\$1,078,735	\$732,814	\$1,420,000	\$1,400,000
Contract Services	\$152,148	\$155,492	\$105,088	\$56,283	\$116,532	\$197,263	\$170,000	\$210,000
Expenses	\$127,452	\$155,630	\$99,405	\$100,240	\$114,817	\$104,282	\$120,639	\$186,999
Transfer General Fund	\$94,063	\$95,424	\$99,643	\$100,000	\$100,000	\$163,000	\$191,000	\$191,000
Transfer Capital Projects	\$0	\$0	\$0	\$0	\$0	\$90,000	\$0	\$0
Total Expenses	\$1,214,508	\$1,295,484	\$1,218,073	\$1,492,675	\$1,489,885	\$1,390,686	\$1,963,026	\$2,063,025



Retained Earnings - the portion of Unreserved Retained Earnings that is certified by the Bureau of Accounts as available for appropriation. Certification requires submission of a June 30 balance sheet accompanied by all information necessary to calculate free cash in the general fund and retained earnings in the enterprise fund. Once certified, retained earnings may be appropriated through the following June 30 and no appropriation may be in excess of the certified amount.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT



Stormwater Enterprise Funds

The Stormwater Department performs numerous functions to support the Town's drainage system, receiving streams, and ultimately to comply with the 2016 Massachusetts Small Municipal Separate Storm Sewer System (MS4). The Town of Dracut's Stormwater Management Program implements activities and measures to comply with the terms and conditions of the MS4 permit. The main elements of the stormwater program comply with the 6 minimum control measures:

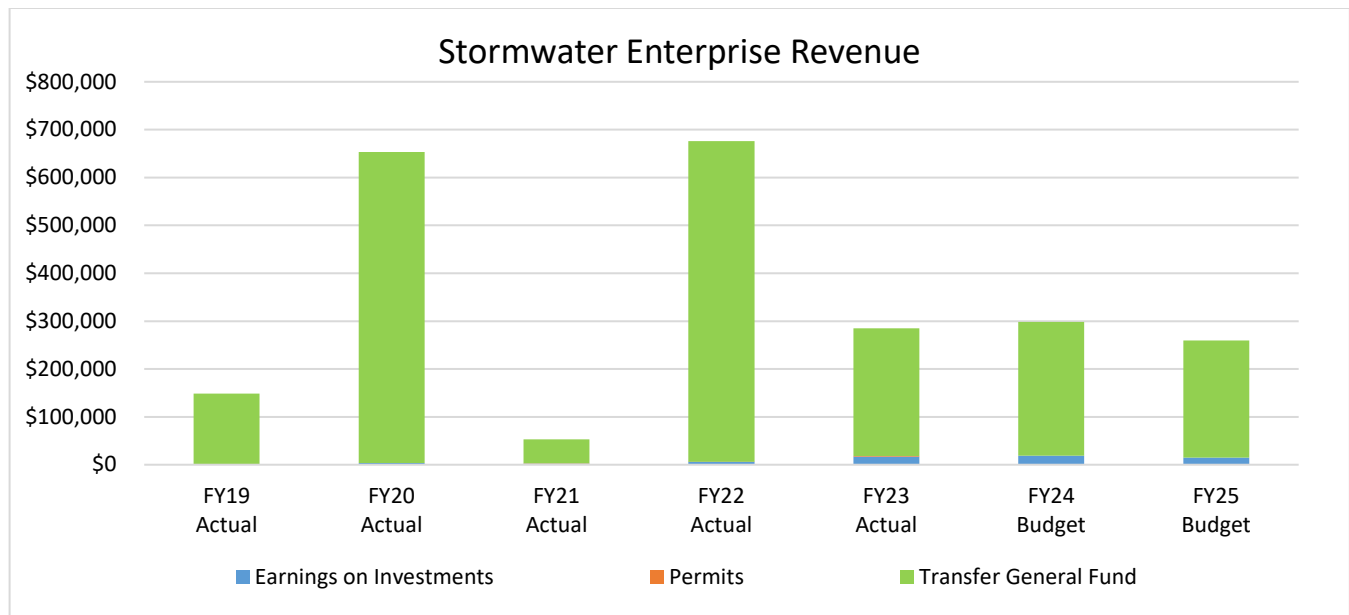
- Public Education and Outreach
- Public Involvement and Participation
- Illicit Discharge Detection and Elimination (IDDE) Program (PDF).
- Construction Site Stormwater Runoff Control
- Post Construction Stormwater Management in New Development and Re-development.

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

- Good Housekeeping and pollution prevention for permittee owned operations.

The Stormwater Enterprise Division consists of three (3) full-time employees, which also support the Department of Public Works. Expenses include salaries, contracted services, office supplies and other expenses indirect cost. Although the Stormwater Fund is an Enterprise Fund falling under the Department of Public Works, it is fully funded by the General Fund Tax Levy.

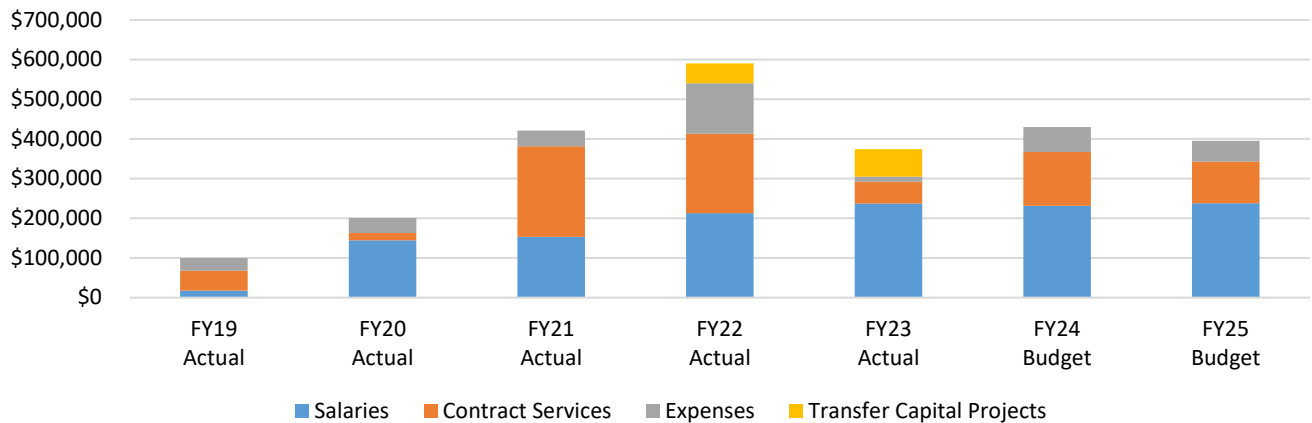
Stormwater Revenue	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Earnings on Investments		\$343	\$3,593	\$2,441	\$6,224	\$17,055	\$18,562	\$15,000
Permits		\$0	\$0	\$100	\$80	\$1,439	\$0	\$0
Transfer General Fund		\$148,200	\$650,000	\$50,278	\$669,700	\$266,779	\$279,579	\$244,808
Total Revenue		\$148,543	\$653,593	\$52,819	\$676,004	\$285,273	\$298,141	\$259,808
Transfer Retained Earnings - Budget					\$50,000	\$150,000	\$150,000	\$150,000
Transfer Retained Earnings - Capital					\$0	\$70,000	\$0	\$0



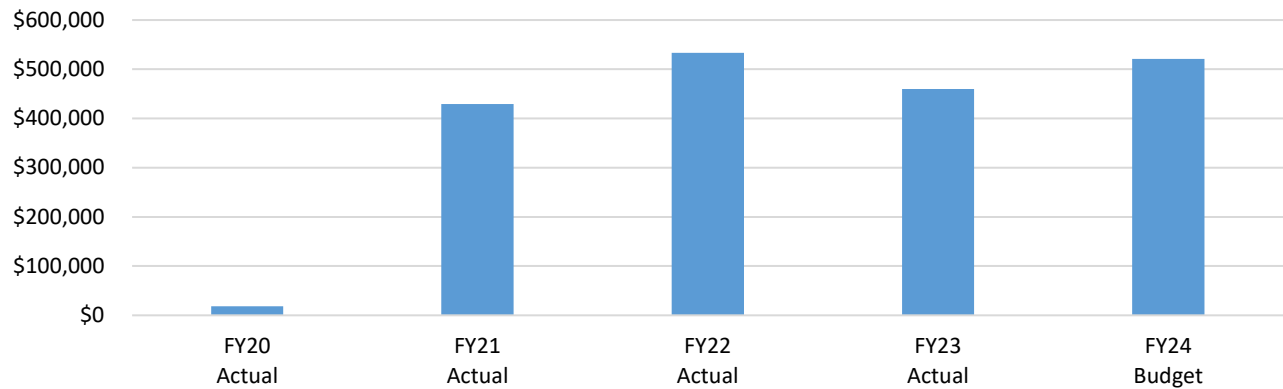
Stormwater Expenses	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries		\$17,990	\$144,658	\$153,374	\$212,652	\$237,137	\$231,829	\$237,808
Contract Services		\$49,375	\$18,263	\$228,417	\$200,475	\$54,672	\$135,000	\$105,000
Expenses		\$32,301	\$38,213	\$39,155	\$127,087	\$12,700	\$62,750	\$52,000
Transfer Capital Projects		\$0	\$0	\$0	\$50,000	\$70,000	\$0	\$0
Total Expenses		\$99,666	\$201,134	\$420,946	\$540,214	\$374,509	\$429,579	\$394,808
Employees (FTE)		1	2	3	3	3	3	3

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

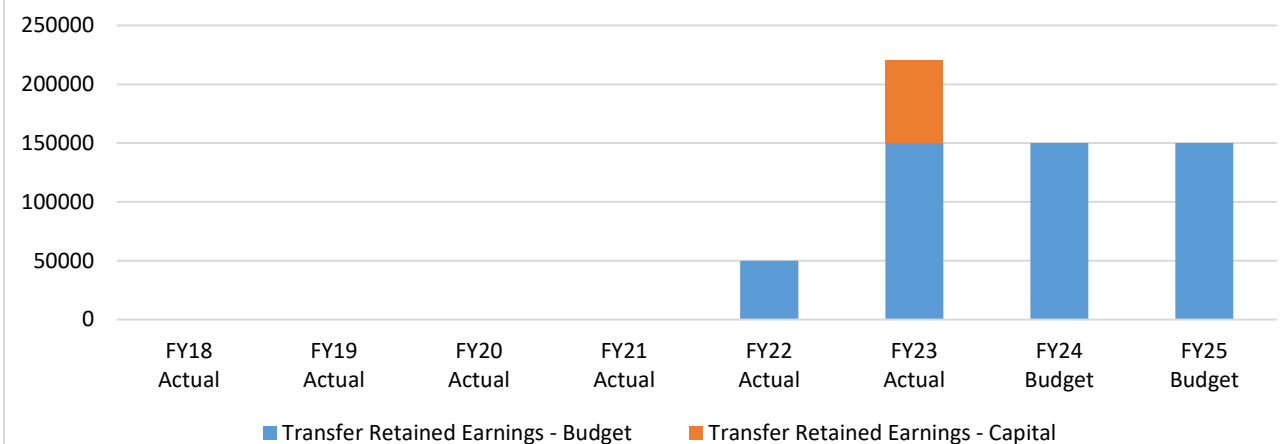
Stormwater Enterprise Expenditures



Stormwater Certified Retained Earnings



Stormwater Retained Earnings Usage



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

PEG Enterprise Funds

Those monies include fees collected from customers by the cable operator in connection with the franchise and in support of public, educational and government (PEG) programming. In addition to the imposition of these franchise fees, cable licensing agreements typically require that cable companies provide services, facilities and equipment for PEG channels, deliver cable television programming to municipal buildings, and maintain customer service quality. Under state law, cable operators also pay the municipality an annual license fee, which is based on the number of cable customers. All of these monies are general fund revenues, absent a special act treating them otherwise. G.L. c. 44, § 53.

Cities and towns may now designate cable PEG access operations or services as an enterprise and separately account for all franchise fees and other revenues derived from enterprise activities in the same manner as other enterprise funds. G.L. c. 44, § 53F½.

Alternatively, cities and towns may reserve the franchise fees and other cable related revenues for appropriation to support PEG access services, monitor compliance with the franchise agreement or prepare for license renewal by accepting G.L. c. 44, § 53F¾ and establishing a PEG Access and Cable Related Fund.

PEG Cable TV Revenue	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Franchise Fees					\$380,813	\$515,508	\$501,039	\$480,000
Interest					\$332	\$1,038	\$4,712	\$4,000
Capital Revenue					\$0	\$79,331	\$23,457	\$20,000
Total Revenue					\$381,145	\$595,877	\$529,208	\$504,000

Cable PEG Expenses	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
DATV Quarterly Payment					\$302,674	\$533,406	\$496,925	\$511,934
Capital Expenses					\$70,000	\$0	\$0	\$0
Transfers					\$0	\$0	\$0	\$0
Total Expenses					\$372,674	\$533,406	\$496,925	\$511,934

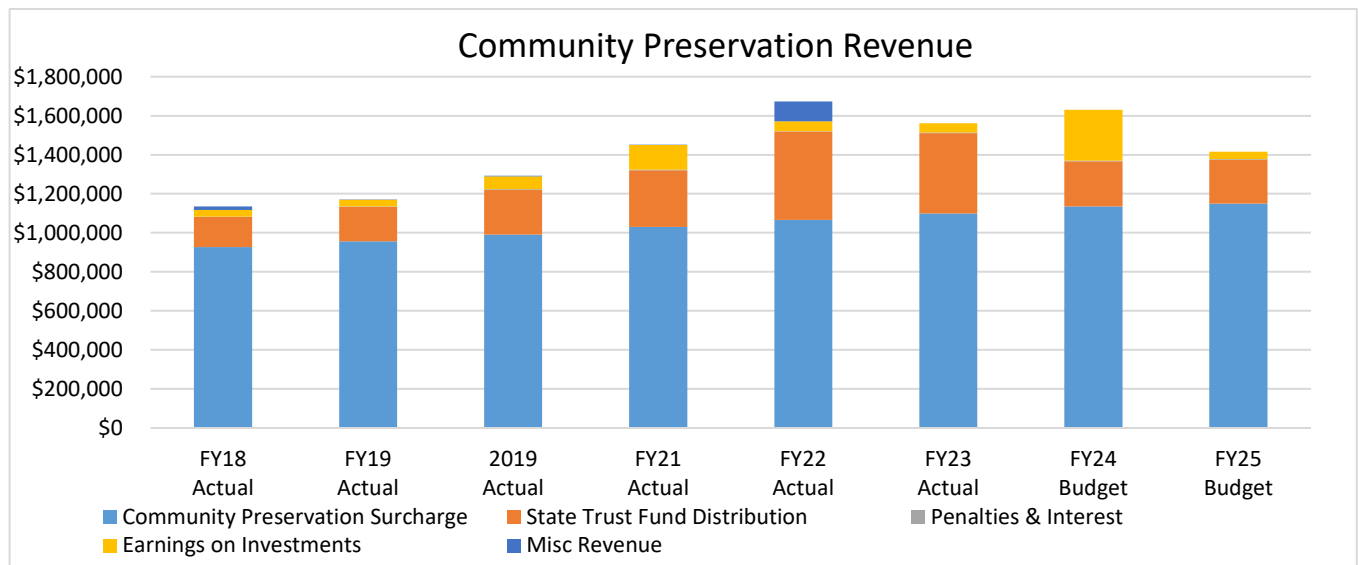
Retained Earnings	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Certified Retained Earnings						\$78,471	\$140,944	
Retained Earnings Usage						\$33,000	\$0	\$31,934

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Community Preservation

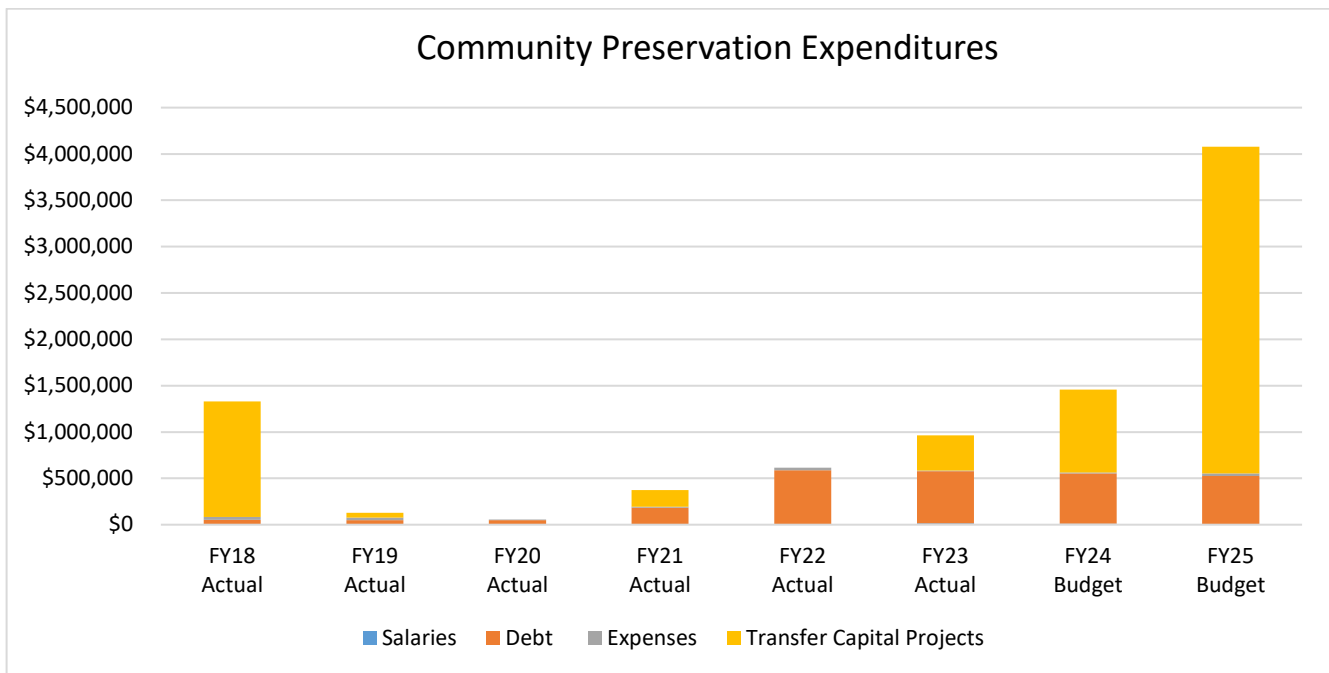
Community Preservation Act allows communities to create a local Community Preservation Fund for open space protection, historic preservation, affordable housing and outdoor recreation. Community preservation monies are raised locally through the imposition of a surcharge of not more than 3% of the tax levy against real property, and municipalities must adopt CPA by ballot referendum. Town Meeting approved creation of a local Community Preservation Committee (CPC) in May of 2001. This Committee provides recommendations to Town Meeting on various project applications. Since 2001 the 2% local surcharge has collected approximately \$15.5 million which has been matched by a 46% State contribution of more than \$7 million. A minimum of ten percent of each year's revenue must be allocated to spending in each of three categories – affordable housing, historic preservation and open space/recreation.

Revenue	FY18 Actual	FY19 Actual	2019 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Community Preservation Surcharge	\$926,988	\$956,736	\$990,332	\$1,029,510	\$1,066,118	\$1,099,776	\$1,135,000	\$1,150,000
State Trust Fund Distribution	\$153,328	\$176,813	\$230,800	\$290,606	\$452,103	\$411,671	\$232,168	\$225,000
Penalties & Interest	\$2,443	\$2,167	\$2,019	\$3,442	\$2,407	\$2,418	\$2,500	\$2,500
Earnings on Investments	\$35,025	\$33,458	\$66,755	\$126,821	\$51,053	\$48,205	\$260,000	\$37,500
Misc Revenue	\$17,250	\$839	\$2,750	\$750	\$101,415	\$0	\$0	\$0
Total Revenue	\$1,135,034	\$1,170,013	\$1,292,656	\$1,451,129	\$1,673,096	\$1,562,070	\$1,629,668	\$1,415,000



TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Expenditures	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Salaries	\$3,782	\$3,369	\$1,766	\$4,210	\$326	\$13,362	\$10,140	\$7,500
Debt	\$48,540	\$46,140	\$45,440	\$180,571	\$587,065	\$564,515	\$544,015	\$518,990
Expenses	\$30,447	\$28,365	\$7,006	\$8,678	\$28,000	\$6,398	\$8,124	\$25,500
Transfer Capital Projects	\$1,246,668	\$50,000	\$0	\$178,500	\$0	\$380,000	\$895,000	\$3,525,435
Total Expenses	\$1,329,437	\$127,874	\$54,212	\$371,959	\$615,391	\$964,275	\$1,457,279	\$4,077,425



Reserve Balances	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Undesignated	\$165,886	\$211,487	\$275,026	\$341,815	\$257,393	\$793,720	\$605,000	\$15,594
Open Space	\$1,222,085	\$1,810,524	\$2,466,356	\$2,872,846	\$3,105,346	\$2,833,889	\$2,833,889	\$583,889
Historic Preservation	\$1,032,086	\$1,002,143	\$480,672	\$781,493	\$1,072,668	\$1,189,675	\$1,189,675	\$1,294,135
Community Housing	\$1,144,882	\$1,891,398	\$2,270,941	\$2,397,881	\$2,846,996	\$3,064,463	\$3,203,463	\$3,344,963

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Community Preservation Capital Projects – Capital and Other projects funded through the Community Preservation Fund.

Capital Projects	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget	FY25 Budget
Dracut Centre School Town Hall Annex	\$200,000							
112 Crosby Road	\$800,000							
Master Plan	\$75,000							
509/515 Hildreth Street	\$400,000							
Cross Country Trails	\$30,000							
Squash Barn Beaver Brook Farm		\$100,000						
11 Spring Park Ave		\$350,000	\$661,000					
650 Marsh Hill Road		\$50,000				\$20,000		
Daoulos Complex			\$311,202					
80 Broadway Road Rehab Fields				\$1,652,750				
Daoulos Complex				\$2,811,202				
Historic Survey Work				\$30,000				
Squash Barn Beaver Brook Farm				\$50,000				
Harmony Hall				\$50,000				
Beaver Brook Farm Dam					\$187,500			
Squash Barn Improvements					\$97,420			
Open Space and Recreation Plan						\$50,000		
BBF Seedshed Mothballing						\$230,500		
BBF Engineering Design							\$150,000	
BBF Workshop Demolition							\$191,022	
Coburn House Design							\$50,000	
NFC National Fitness Equipment							\$170,000	
Restoration Historic Records							\$240,000	
Tennis & Pickleball Courts							\$85,000	\$2,547,435
Beaver Brook Farm Improvement								\$978,000
Total Expenses	\$1,505,000	\$500,000	\$972,202	\$4,593,952	\$284,920	\$300,500	\$886,022	\$3,525,435

Community Preservation Debt Schedule - These payments are for debt issues for CPC projects.

Project	Bond Date	Mature FY	Principal	Interest	Total P&I
Harmony Hall Refunding	08/19/15	2026	\$ 68,000	\$ 3,030	\$ 71,030
Fields I	10/15/20	2034	35,000	5,475	40,475
Fields II	10/15/20	2031	2,535,000	395,325	2,930,325

Community Preservation Total

\$	2,638,000	\$	403,830	\$	3,041,830
----	-----------	----	---------	----	-----------

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Grants Received

The Town and Schools receive several State and Federal Grants or Earmark funds annually to support its operations. Below is a list of the funds the Town has received since FY18, and for FY24 the amounts noted below are only as of May 2024.

Grant or Earmark Funds Received	Department	FY18	FY19	FY20	FY21	FY22	FY23	FY24
94.12 Grant - (240)	School	\$990,849	\$683,077	\$564,704	\$992,916	\$974,186	\$956,472	\$1,424,281
ADA Grant	Town				\$50,000			
AED	Town					\$2,500		
ARP Homeless Children and Youth	School					\$7,259	\$2,713	
ARP IDEA Early Childhood	School					\$4,374	\$15,353	\$11,961
ARPA Federal Funds	Town				\$1,655,543	\$3,072,266	\$4,727,809	
Broadway Rd/Loon Hill Intersection	DPW	\$1,453,339						
Cafeteria Revolving Fund	School	\$739,484	\$1,385,414	\$1,137,197	\$1,272,410	\$2,800,188	\$2,260,737	\$2,503,292
CARES Covid-19	Town			\$134,472	\$1,101,928	\$1,497,853		
Chronic Absences	School							\$10,000
Circuit Breaker	School	\$1,548,281	\$1,413,282	\$1,005,439	\$1,248,431	\$1,276,218	\$1,156,720	\$876,125
Community Compact Grant	Town					\$25,000		
Community Planning Grant	Planning							\$50,000
Compr School Health Services Grant	School						\$30,000	\$35,000
Coronavirus Prevention	School				\$171,950			
COVID Firefighters Grant	Fire				\$2,045			
COVID-19 Relief	Town			\$30,000	\$16,163			
CvFR School Meal	School				\$19,214			
CvRF School Reopening Grant	School				\$713,950			
Design and Engineering Dam	Town					\$250,000	\$187,500	\$13,570
DHS Credit for Life	School	\$2,500	\$2,500				\$2,500	\$3,200
Dracut Arts Council	Cultural Council	\$11,300	\$13,257	\$17,160		\$38,400	\$24,285	
Earmark 192 Grant	School				\$25,000			
Elder Affairs Grant	COA	\$52,254	\$64,644	\$64,644	\$64,644	\$64,644	\$94,344	\$109,550
Emergency Operation Plan	DPW	\$8,460	\$7,990	\$8,500	\$8,500		\$8,500	
EMPG Grant	Fire						\$85,000	
ESSER I	School				\$409,625			
ESSER II	School				\$153,252	\$770,000	\$609,269	
ESSER III	School					\$342,177	\$808,932	
EV Charging Station	Town							\$41,322
Extra Polling Hours	Elections	\$2,350	\$13,676	\$56,667	\$25,073		\$23,047	\$4,732
Federal Relief Impact Aid	School		\$33,289					
Federal Survey & Planning Grant	Planning						\$14,875	
FEMA Reimbursement	Town	\$2,793				\$19,920		
Fire - Regional MCI Trailer	Fire	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	
Fire Department Washer Extractor	Fire			\$13,022				
Fire Equipment Earmark Grant	Fire						\$30,000	

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Grant or Earmark Funds Received	Department	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Fire HAZMAT Grant	Fire					\$10,992	\$11,031	\$11,103
Fire Prevention Grant	Fire		\$1,000					
Fire SAFE Grant	Fire	\$4,308	\$4,354	\$4,565	\$5,281	\$8,230	\$5,481	
Fire Senior SAFE Grant	Fire	\$2,615	\$2,600	\$2,552	\$2,680		\$2,477	
Firefighter Safety Equipment Grant	Fire					\$14,980	\$20,789	\$24,247
Greater Lowell Health Alliance	COA		\$2,340					
Green Communities	Town				\$205,084	\$153,686	\$49,402	\$148,208
High Quality Instructional Material	School							\$326,409
Housing Choice Spring Park	Planning			\$80,904	\$119,051			
IDEA ARP	School					\$112,571	\$87,240	
iDecide Grant	School						\$10,000	
IT Earmark	Town						\$50,000	
Library Service & Technology Grant	Library						\$6,802	\$5,762
M. BLATUS GAZEBO REVENUE	Town	\$115,998						
MBTA EOEEA Planning Grant	Planning						\$40,000	
MIIA Grant	Town			\$2,242				
Municipal Sidewalk Earmark	Town					\$35,000		
Municipal Road Safety Grant	DPW					\$1,675	\$6,064	
Municipal Sign Earmark	Town					\$25,000		
Municipal Vulnerability Preparedness MVP	Town			\$44,000				
Nashua Road Mass DOT	DPW							\$66,569
Open Space DHCD Planning	Planning							\$42,305
Police Bullet Proof Vest	Police	\$8,150	\$3,418					
Police Drug Fund	Police	\$3,787	\$8,360	\$9,258	\$95,628			
Public Safety Earmark	Police					\$50,000		
Puerto Rico Hurr Relief Rev	School	\$18,971	\$4,285					
Recycling Dividends Program Rev	Trash	\$10,800	\$14,400	\$16,200	\$19,800	\$16,200	\$8,820	\$11,340
Safety Grant	Town						\$10,000	
School Choice Receipt	School	\$157,345	\$173,361	\$165,324	\$108,688	\$92,271	\$72,024	\$65,727
School EBT Admin	School					\$3,684		
School Fiber	Schools	\$400,000						
School Mask Reimbursement	School						\$2,341	
School Nutrition	School				\$8,170			
Shared Streets	DPW				\$400,000			
SPED Early Childhood (298)	School				\$198	\$1,790		
SPED Early Childhood Rev - (262)	School	\$43,482	\$35,321	\$28,370	\$34,421	\$30,037	\$50,597	\$22,677
SPED Program Improv -(274)	School	\$13,034			\$16,592	\$4,334		\$3,000
State 911 Support & Incentive	Police	\$99,351	\$93,574	\$24,459	\$91,494			
Summer Vacation Learning	School				\$12,540	\$11,340		
Technology Earmark	School					\$35,000		
Technology State Award Grant	School	\$45,000						
Title I	School					\$148,877	\$447,774	\$1,237,119
Title I Grant Revenue - (305)	School	\$351,617	\$412,487	\$316,168	\$282,232	\$351,247		
Title II Grant	School						\$12,003	\$30,202
Title IIA - (140)	School	\$80,004	\$91,456	\$88,930	\$99,501	\$11,968	\$10,481	\$82,046

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Grant or Earmark Funds Received	Department	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Title IV	School					\$22,272	\$36,079	\$36,771
Traffic Safety Improvement Grant	DPW					\$50,000		\$14,340
Title IV Grant (309)	School	\$10,112	\$25,124	\$19,845	\$28,794	\$16,469		
USDA Food Service	School					\$17,742		
Veterans Heritage Grant	Town						\$15,000	
Winter Road Recovery	DPW						\$471,180	

Total	\$6,178,184	\$4,491,209	\$3,836,622	\$9,462,798	\$12,372,350	\$12,465,641	\$7,210,858
--------------	--------------------	--------------------	--------------------	--------------------	---------------------	---------------------	--------------------

Stabilization, Revolving and Other Receipts Funds

Other Funds	Department	FY18	FY19	FY20	FY21	FY22	FY23	FY24 a/o 5/31/24
Athletic Revolving	School	\$9,918	\$40,764	\$83,452	\$130,545	\$101,273	\$210,505	\$232,287
Broadway Production	School	\$23,587	\$19,351	\$16,187	\$14,248	\$19,536	\$9,440	\$20,267
Capital Improvement	Town	\$60,062	\$81,658	\$239,650	\$24,750	\$24,750	\$68,345	\$68,345
COA Revolving Fund	COA	\$0	\$0	\$0	\$0	\$11,506	\$24,026	\$31,772
Compost Bins f/k/a/ Recycle Bins	Town	\$5,150	\$4,140	\$2,725	\$1,905	\$2,405	\$1,335	\$1,335
Conservation Wetland	Conservation	\$30,721	\$30,721	\$33,760	\$39,838	\$43,214	\$51,897	\$56,354
EV Charging Stations	Town	\$0	\$0	\$0	\$0	\$0	\$0	\$1,285
Field Maintenance Revolving	Recreation	\$13,300	\$4,480	\$12,620	\$15,120	\$18,620	\$23,620	\$25,620
General Stabilization - Equipment	Town	\$1,534,167	\$1,622,644	\$1,111,167	\$1,019,481	\$1,166,079	\$1,513,417	\$1,583,607
Grave Opening	DPW	\$114,350	\$131,750	\$146,450	\$168,600	\$145,700	\$158,950	\$84,050
JHS Show Production	School	\$6,976	\$6,535	\$4,938	\$4,938	\$10,286	\$3,180	\$9,607
Kennel Fund	Town	\$36,310	\$36,859	\$38,800	\$39,060	\$41,052	\$41,783	\$43,156
Library Revolving	Library	\$27,531	\$30,000	\$30,000	\$29,078	\$33,226	\$33,350	\$43,175
Library State Aid	Library	\$80,897	\$72,621	\$113,913	\$162,220	\$150,837	\$198,790	\$253,469
Music Fees Revolving	School	\$0	\$6,332	\$1,629	\$384	\$5,470	\$0	\$0
OPIOID Fund	Town	\$0	\$0	\$0	\$0	\$0	\$0	\$138,465
OPEB - State Retiree Benefit Trust	Town	\$455,856	\$593,113	\$593,133	\$593,142	\$593,145	\$593,255	\$593,465
Parker School Lease	School	\$154,881	\$226,197	\$243,623	\$228,670	\$361,519	\$387,856	\$595,094
Pre-School Tuition	School	\$133,457	\$183,681	\$217,403	\$231,906	\$278,128	\$333,243	\$360,293
Private/Parochial Transportation	School	\$20,007	\$22,756	\$157,834	\$229,513	\$111,798	\$270,276	\$403,209

TOWN OF DRACUT – FINANCIAL & BUDGET REPORT

Other Funds	Department	FY18	FY19	FY20	FY21	FY22	FY23	FY24 a/o 5/31/24
Recreation Revolving	Recreation	\$10,000	\$2,944	\$10,000	\$32,491	\$26,029	\$37,938	\$55,432
Sale of Cemetery Lots	DPW	\$5,232	\$10,812	\$17,562	\$27,282	\$76,502	\$25,282	\$37,251
School Revolving	School	\$89,078	\$110,746	\$173,544	\$168,570	\$166,169	\$220,813	\$305,261
Special Education Stabilization Fund	School	\$0	\$0		\$201,238	\$342,253	\$348,614	\$354,423
Summer Programs	School	\$3,966	\$4,921	\$5,456	\$5,456	\$2,491	\$2,491	\$0
Technology Stabilization Fund	Town	\$204,419	\$105,271	\$106,010	\$106,753	\$107,500	\$109,756	\$113,510
Tip Fee Reserve	Town	\$0	\$230,232	\$131,292	\$131,808	\$132,731	\$135,517	\$140,152
Town Hall Stabilization	Town	\$1,346,276	\$1,268,442	\$1,190,107	\$1,360,984	\$1,031,524	\$962,156	\$918,397
Veteran Concession	Town	\$13,655	\$13,517	\$12,868	\$12,958	\$11,400	\$11,092	\$12,792

Total	\$4,379,794	\$4,860,489	\$4,694,122	\$4,980,938	\$5,015,142	\$5,776,928	\$6,482,073
--------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------