



FY26 Budget Update
Select Board
March 10, 2025

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FY26 Budget Updates

- The budget contains outside assessments.
- Estimates are included until the final numbers are provided, at which time the budget is adjusted

Assessments

- **Blue Hills Regional Schools Assessment**

- Updated FY26 budget of \$102,111
 - An decrease of \$16.7K or 14% compared to FY25
- \$28.6K less than original FY26 estimated budget presented on 2.3.25
 - Per Blue Hills: due to decrease in Westwood student enrollment (from 5 in FY25 to 4 in FY26)
- Changes incorporated into the Fixed Costs budget to account for increases in Health Insurance and Comprehensive and Liability Insurance beyond original estimates.
 - \$10.8k for Health Insurance increase
 - \$17.8k for Comprehensive and Liability Insurance increase

- **Sewer Department MWRA Assessment**

- Updated FY26 Assessment is \$3,084,892
 - An decrease of \$111K or 3.5% compared to FY25 budget
- \$420K lower than original FY26 estimated budget
- Sewer budget revenue will be adjusted in final budget
 - **No overall budget impact**

Other Budget Adjustments

- Budgets are updated for any changes to previous estimates.

FY26 Health Insurance Budget Update

- Updated FY26 Budget is \$9,196,935
 - This is an increase of \$10.8K over the original FY26 budget estimate, and an increase of \$845K or 10% compared to FY25
 - This change from the initial FY26 estimate has been reflected in the fixed costs budget, and will be covered by the reduction in the Blue Hills updated number
- Received final rates from GIC per meeting on 2.27.25
 - Average overall rate increase is 11.7%
 - Active employee range is 10.5%-17.1%
 - Most subscribed plan is 11.3%
 - Retiree plans 7.2-7.6%

Comprehensive/Liability Insurance

- Updated FY26 Budget is \$743k
 - This is an increase of \$60K over the original FY26 budget estimate of \$683K, and an increase of \$72K or 11% compared to FY25
- MIIA Insurance update includes a significant increase to Property General Liability
 - The increase is driven by the additional premium for the Pine Hill School which is based on valuation.
 - Original quote from MIIA was higher - Deductible was increased to partially offset increased costs

Article Budget 3 - FY26 Proposed Operating Budget \$120.35M, 4.1% inc.

DRAFT

- Article 3 is the Operating Budget (Appendix D)
 - This includes:
 - Municipal Budget – currently \$26.1M, 4.9% increase
 - Schools Budget – currently \$58.99M, 3.5% increase
 - Fixed Costs – currently \$23.9M, 8% increase
 - Debt – currently \$7.18M, 2.3% decrease
 - Sewer – currently \$4.14M, 2.4% decrease
- Since the last time this was presented, the following items have been updated
 - Blue Hills assessment
 - Sewer MWRA assessment
 - Comprehensive Liability Insurance
 - Health Insurance
 - Decreases to expenses in the General Government portion of the Municipal Budget
 - Partially offsets the cost of these updates
 - Increase of \$20k in utility expenses in DPW Building Maintenance, matched with a corresponding increase in Local Receipts
 - New local receipts estimate \$5.1M
- Article 3 will be finalized for a vote at the March 24th Select Board meeting

Budget Article 2 – FY25 Budget Adjustments by Appropriation

- Budget adjustments to close out the current fiscal year, using transfers from additional available funds.

Transfer			
From Account	Amount	To Account	Amount
Free Cash	\$335,000	Police Department Salaries	\$75,000
		Fire Department Salaries	\$260,000
Ambulance Receipts	\$120,000	Ambulance Services/Equipment	\$120,000
Total	\$455,000	Total	\$455,000

FY26 Budget Next Steps

- Select Board Action for tonight
 - FY26 Budget Articles 4 through 13 approved by the Select Board
- Select Board Action for March 24th
 - Finalize and Vote on Articles 1 and 2
 - Finalize and Vote Article 3 FY26 Operating budget
- Final Budget articles will then be submitted to Finance and Warrant commission
- Memo will be sent to Fincom on Financial Articles for 2025 Town Meeting
 - Outlines budget changes since presentation on February 12, 2025
 - Will be sent the week of March 17, 2025
 - Updated/finalized Articles 1-3 will be sent after the March 24, 2025 Select Board Meeting
- Finance and Warrant Commission Meeting – March 11, 2025
 - Members will be presenting the Subcommittee reports
- Select Board Meeting – March 24, 2025
 - Final budget updates presented and approved
- Finance and Warrant Commission Hearing – March 25, 2025
 - Town Meeting financial articles reviewed and voted by Fincom



Annual Town Meeting 2025

Financial Warrant Articles

Article Budget 4 – Municipal Capital Improvements

Item	Requesting Department	Amount	Funding Source
Wheelchair Accessible Van	COA	\$62,000	Free Cash
One Ton Dump Truck (Truck 15)	DPW	\$80,000	Free Cash
One Ton Dump Truck (Truck 16)	DPW	\$80,000	Free Cash
Tree Chipper	DPW	\$80,000	Free Cash
Roadway Improvement	DPW	\$250,000	Free Cash
Turnout Gear Replacement	Fire	\$75,000	Free Cash
Radio Upgrade and Replacement	Fire	\$30,000	Free Cash
Fire Suppression Equipment Replacement	Fire	\$50,000	Free Cash
End User Technology	IT	\$75,000	Free Cash
Library Patron/Staff End User Technology	Library	\$25,000	Free Cash
Police Vehicles	Police	\$325,000	Free Cash
Safety Equipment	Police	\$68,000	Free Cash
Municipal Communication - Police, Fire & EMS			
Radio Infrastructure	Police	\$95,000	Free Cash
Building Facilities Maintenance	DPW Facilities	\$150,000	Free Cash
Energy Efficiency	DPW Facilities	\$50,000	Free Cash
Municipal Parking Lots	DPW Facilities	\$30,000	Free Cash
	Total	<u>\$1,525,000</u>	

This Article is to be Funded with Free Cash
This is the annual base capital for Municipal

Article Budget 5 – School Capital Improvements

Item	Amount	Funding Source
Technology	\$100,000	Free Cash
HVAC and Controls	\$100,000	Free Cash
Vehicles	\$160,000	Free Cash
Building Improvements	\$430,000	Free Cash
Roofing	\$200,000	Free Cash
Furniture, Fixtures, and Equipment	\$150,000	Free Cash
Total	<u>\$1,140,000</u>	

This Article is to be Funded with Free Cash
This is the annual base capital for Schools

Article Budget 6 – Sewer Capital Improvements

Sewer Capital Improvements

Item	Amount	Funding Source
Stormwater MS4	\$75,000	Sewer Retained Earnings
Total	<u>\$75,000</u>	Sewer Retained Earnings

Article Budget 7 – Sewer Capital Borrowing

Sewer Capital Borrowing

Item	Amount	Funding Source
Inflow and Infiltration Program	\$500,000	MWRA Loan

Article Budget 8 – Additional Capital Improvements

Other Revenue Sources

Item	Requesting Department	Amount	Funding Source
Cemetery Tractor	DPW	\$50,000	Cemetery Trust
Rescue Upgrade and Replacement	Fire	\$35,000	Ambulance Receipts
Fire Engine Replacement	Fire	\$950,000	Ambulance Receipts
Total		<u>\$1,035,000</u>	

Article Budget 9 – Additional Capital Improvements

Item	Requesting Department	Amount	Funding Source
Generator Replacement (COA and Library)	DPW Facilities	\$250,000	Meals/Hotels Tax
Library Lighting System Replacement	DPW Facilities	\$300,000	Meals/Hotels Tax
DPW Garages	DPW Facilities	\$75,000	Meals/Hotels Tax
Additional Study Room Project	Library	\$62,000	Meals/Hotels Tax
Meeting Room Technology	Select Board	\$90,000	Meals/Hotels Tax
Town/School Financial Enterprise Software	IT	\$475,000	Meals/Hotels Tax
	Total	<u>\$1,252,000</u>	Meals/Hotels Tax Revenue

Funded by Meals/Hotels Tax Revenue

Article Budget 10 – Additional Capital Improvements

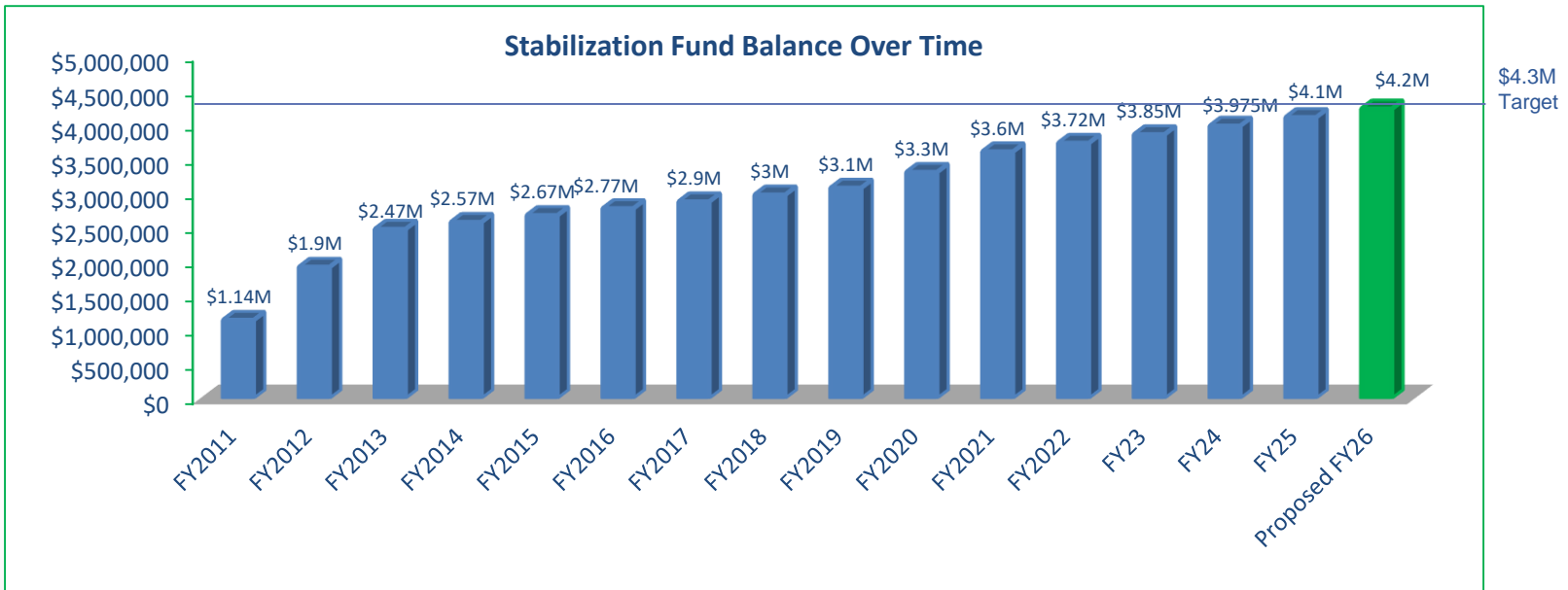
Item	Requesting Department	Amount	Funding Source
Town Hall Renovation/Reconfiguration	Select Board	\$150,000	Free Cash
Town Hall Roof Replacement	DPW Facilities	\$250,000	Free Cash
Sheehan Electrical Upgrade	Schools	\$520,000	Free Cash
	Total	<u><u>\$920,000</u></u>	Free Cash

Funded by Free Cash

Article Budget 11 - Appropriation to Stabilization Fund

Purpose	Amount	Funding Source
Stabilization Fund	\$125,000	Free Cash

- The Stabilization Fund is the Town’s main reserve account.
- Protects the Town against emergencies.
- Very important for credit rating (AAA).
- Can help mitigate budget disruptions such as economic decline.



↑ ↑
Built with one time revenue



Small Annual Transfer



Article Budget 12 - Appropriation to OPEB Liability Trust Fund

Purpose	Amount	Funding Source
OPEB Liability Trust Fund	\$1,590,000	Taxation

Annual Funding - OPEB Liability



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Change in health care plan

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Change in health care plan

Article Budget 13 – Aid to the Elderly for Senior Tax Relief

Purpose	Amount	Funding Source
Aid to the Elderly for Senior Tax Relief	\$300,000	Free Cash

- For the May 2025 ATM, an article has been included in the warrant to fund the Aid to the Elderly Fund.
 - This article is for a \$300,000, one time appropriation, funded by Free Cash
- Aid to the Elderly Fund
 - The Fund was established by Town Meeting in 1999
 - Approximately \$100K per year distributed to approximately 55 senior residents
 - FY24 payment was \$1,500 per recipient

