



FY27 Budget Update
Select Board
March 9, 2026

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FY27 Budget Updates - Assessments

- 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 FY27 budget of \$100,711
 - A decrease of \$1,400 or 1.4% compared to FY26
 - Per Blue Hills: student enrollment has not changed (4 students)
- No overall impact to budget

- **Sewer Department MWRA Assessment**

- Updated FY27 Assessment is \$3,051,156
 - A decrease of \$33,736 or 1.1% compared to FY26 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.

FY27 Health Insurance Budget Update

- Updated FY27 Budget is \$9,974,288
 - This is an increase of \$7,607 over the most recent FY27 budget estimate (8.5%), and an increase of \$788K or 8.6% compared to FY26
 - This change from the initial FY27 estimate has been reflected in the fixed costs budget, and will be covered by the reduction in the Medicare Payroll Tax line
- Received final rates from GIC per meeting on 3.5.2026
 - Original voted was scheduled for 2.26.26
 - Average overall rate increase is 7.5%
 - Active employee range is 4.1%-13.6%
 - Average 8%
 - Most subscribed plan is 8.9%
 - Retiree plans 4-7.5%
 - Average 5.4%

Article Budget 3 - FY27 Proposed Operating Budget \$125.5M, 4.3% inc.

- Article 3 is the Operating Budget (Appendix D)
 - This includes:
 - Municipal Budget –\$27.4M, 5.1% increase
 - No change
 - Schools Budget – \$61.9M, 4.9% increase
 - Updated based on SC vote
 - Fixed Costs – \$24.5M, 2.8% increase
 - Updated numbers for health insurance and payroll tax, net impact
 - Debt – \$7.18M, 4% increase
 - No change
 - Sewer – \$4.14M, flat over FY26
 - slight change – MWRA Assessment
- Since the last time this was presented, the following items have been updated
 - Blue Hills assessment
 - Sewer MWRA assessment
 - Health Insurance
 - Increased Local Receipts
 - Local Receipts have been increased \$402,400 bringing the total FY27 projection to \$5,503,257
- Article 3 will be finalized for a vote at the March 23rd Select Board meeting

Budget Article 1 – FY26 Budget Adjustments by Transfers

- Budget adjustments to close out the current fiscal year, using transfers from one operating budget account to another

Transfer			
From Account	Amount	To Account	Amount
Fincom Reserve	\$405,000	Snow & Ice Expense	\$405,000
		• 22 events to date, 4 needed contractor support	
	Total	Total	\$405,000
	\$405,000		\$405,000

- Numbers will be finalized for Select Board meeting on 3/23

Budget Article 2 – FY26 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	\$1,310,000	Police Department Salaries	\$210,000
		<ul style="list-style-type: none"> FY26 Contractual wage increases One long term leave (entire FY26) Adjusted minimum manning on overnight shift 	
		Fire Department Salaries	\$570,000
		<ul style="list-style-type: none"> Two long term leaves (entire FY26) Four other injury leaves 	
		DPW – Snow and Ice Salary	\$350,000
		Snow and Ice Expense	\$180,000
		<ul style="list-style-type: none"> 22 events to date, 4 needed contractor support 	
Ambulance Receipts	\$196,000	Ambulance Services/Equipment	\$196,000
		<ul style="list-style-type: none"> \$160k for Fire Department Ambulance expenses \$36k for Collector’s Office Ambulance Billing Services (fee based service) 	
	Total		Total
	\$1,506,000		\$1,506,000

- Numbers will be finalized for Select Board meeting on 3/23

FY27 Article 4 – Proposed Municipal Capital Article

Item	Requesting Department	Amount	Funding Source
Ten Wheel Dump Truck Hook Lift Body (Truck 27)	DPW	\$400,000	Free Cash
Air Compressor Trailer Unit	DPW	\$35,000	Free Cash
Front End Loader (Loader 1)	DPW	\$345,000	Free Cash
Roadway Improvement	DPW	\$200,000	Free Cash
Turnout Gear Replacement	Fire	\$75,000	Free Cash
Radio Upgrade and Replacement	Fire	\$32,500	Free Cash
End User Technology	IT	\$75,000	Free Cash
Library Patron/Staff End User Technology	Library	\$25,000	Free Cash
Police Vehicles	Police	\$300,000	Free Cash
Safety Equipment	Police	\$68,000	Free Cash
Building Facilities Maintenance	DPW Facilities	\$275,000	Free Cash
Total		<u>\$1,830,500</u>	

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

FY27 Article 7 - Additional Capital Improvements / Free Cash

Item	Requesting Department	Amount	Funding Source
Sidewalk Enhancement Plan	DPW Infrastructure	\$585,000	Free Cash
Carby Street Roof	DPW Facilities	\$200,000	Free Cash
Thurston Heating System	School	\$200,000	Free Cash
Radio Infrastructure Upgrade	Public Safety	\$1,000,000	Free Cash
One Ton Dump Truck (Truck 26)	DPW	\$150,000	Free Cash
PFAS Environmental Testing at 637 High Street	Town Administrator	\$300,000	Free Cash
	Total	<u>\$2,435,000</u>	Free Cash

FY27 Additional Funding Sources – Amounts and Balances

Funding Source	Current Balance on 2.1.26	Proposed Usage for FY27 Budget	Projected “Balance”
Free Cash	\$15,697,444	*\$8,265,500	\$7,431,944
Meals/Hotels	\$2,642,739	\$1,180,000	\$1,462,739
Ambulance Receipts	\$2,126,011	\$1,475,954	\$650,057

*Free Cash Usage number does not include amounts for Article 11 (Special Ed Reserve Fund Allocation) or Article 14 (FY26 Transfers School Department)

FY27 Budget Next Steps

- Select Board Action for March 23rd
 - Final budget updates will be presented
 - Finalize and Vote on Budget Articles 1 through 14, including Article 3 FY27 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 12th and tonight
 - Will be sent the week of March 17, 2025
 - Updated/finalized Articles will be sent after the March 23rd Select Board Meeting
- Finance and Warrant Commission Meeting – March 10th
 - Presenting a budget update including information from tonight
- Finance and Warrant Commission Hearing – March 25th
 - Town Meeting financial articles reviewed and voted by Fincom

