

127/FY2028 Forecast Assumptions

Property Tax Revenue	Forecast Assumptions
Property Tax Levy	FY2026 PTL+ 2 1/2 Levy Increase + New Growth=FY 2027 PTL
2 1/2 Levy Increase	Automatic annual increase allowed under MA Prop 2 1/2, which lets a municipality's property tax levy increase by 2 1/5% of the previous year's limit, plus an amount from new growth
New Growth	Decreased by 12.5%. Estimated lower due to no large subdivisions or developments to take place by 6/30/2026 for FY 2027
Debt Exclusions	Decrease by 2.2%. Please See Debt Schedule
Other Revenue	
State Aid	Estimated at 2 1/2% increase over last years final cherry sheet state aid. Will be updated to Gov Budget released in January, 2026
Local Receipts	
1. Motor Vehicle Excise	RMV assesses and Town Collects. Increased by \$100,000
2. Meals Tax	Estimate 2% Increase over last year based on collections to date. Adopted by 2014 ATM, .75% over statewide restaurant meals tax of 6.25%
3. Penalties and Interest on Taxes	Estimate no increase
4. Payments in Lieu of Taxes	PILOT Agreements. Solar at DPW and Property on Causeway
5. Fees (Demands)	10% increase , Excise and Real Estate (\$25/Piece)
6. <i>Departmental Revenue</i>	Revenue generated from Individual Departments
7. Rentals	2% Increase based on increase to lease agreements for cell tower and Kingsbury Club
8. School Dept Revenue	Reimbursement Checks after fiscal year closes
9. Library Dept Revenue	No Longer Issue Fines
10. Cemetery Dept Revenue	Sale of Lots and Graves at Vine Lake Cemetery
11. Recreation Dept Revenue	Revolving Fund was created for P&R revenue
12. Other Departmental Revenue	Decrease by 70%. No ALS Fund and lower contribution from NC Retirement Fund. Please see Sheet 12 ODR
13. Licenses and Permits	Estimate a decrease in building permits, as we reduced new growth. No large subdivisions planned for FY 2027.
14. Special Assessments	All betterments were completed
15. Fines and Forfeitures	Dog License Fines
16. Investment Income	Estimate 3% return rate on an estimated average \$33 million operating account balance
17. Medicaid Reimbursement	0%, money is now appropriated to the Special Education Reserve Fund
18. Misc. Non Recurring	None Anticipated
19. Misc. Non Recurring MSBA	No longer needed. Was for past MSBA project.
Other Available General Funds	
1. Cemetery Perpetual Care Trust	Allowed to spend the interest on the trust as an offset to operating budget. Increased the amount of the offset based on balance of the trust.
2. Pension Trust Fund Offset	Please see Pension Fund Offset Sheet
3. Bond Premium - Red Gate Farm	Town used to receive bond premiums when bond buyers would pay more for the bonds due to our rating. Town now uses bond premiums to reduce the amount of the borrowing.
4. Bond Premium - HS Field Renovation	
5. Use of School Property Revolving Fund	School committed \$30,000 per year to offset the borrowing for the High School Turf Field, ends after FY 2027
6. ALS Revolving Fund	This fund was created in 2018 when Town adopted ALS. This fund was included as shared revenue in prior guidance, we have corrected this and it is no longer included as revenue.
7. Respite Care Revolving Fund	Users pay a fee to attend respite care program. Small offset to the operating budget for staff, utilities, etc.
8. Refund Existing Debt Service (FT/TG)	Two capital projects utilizing borrowing that have been completed. Treasurer/Collector will request SB close to the debt service for FY 2027
W&S Enterprise Fund Offset	Offset equals amount charged to the W&S Enterprise Fund for services provided by the Town (Employee, debt service, insurance, etc)
Shared Fixed Costs (Insurance/Benefits)	
Workers Compensation Insurance	Estimate 7% increase for renewal rate and completion of Workers Comp audit. Anticipate rate to go up based on salary increases/new hires for FY 2026.
Property, General Liability and Professional	Estimate 7% Increase over FY2026 Actual Not Budgeted. Credits and discounts will be known in January.
Police/Fire 111F Insurance	This is no longer included as a fixed cost for determining budget amount guidance
Unemployment Trust Fund	Town does not pay unemployment tax, we direct pay for each claim. This amount is appropriated into Unemployment trust fund. Balance as of 9/2025 was \$139,000

Life Insurance	Engaging with new benefit company. Not finalized.
Health Insurance	Estimated renewal rate of 15% for active employees and a confirmed 15% increase for retiree medex insurance
Medicare Insurance Match	Any employee that is hired after 1/1/86 pays 1.45% of their gross earnings and we as the employer match that at 1.45% So with new hires, this gets higher....also general salary increases etc increase this number.
Norfolk County Retirement	1.5% decrease in assessment. Full funding moved from FY2029 to FY2036. Please See Pension Reserve Trust Fund.
Debt Service	
Town Debt Principal	Please see debt schedule
Town Debt Interest	Please see debt schedule
Lease Purchase Finance Payment	In FY 2021, with limited capital budget money and a favorable interest rate, the town leased to purchase a fire truck. Payment is complete in 2030
Expenditures Not Requiring Appropriation	
Snow Deficit/Land Damages/Tax Title	Nothing estimated
State Aid Offsets	Estimated to increase by 1.5%. Will update when Governor's budget is released in January 2026
Deficit to be raised on the Recap	No deficit planned
State Assessments	Estimated to increase by 1.5%. Will update when Governor's budget is released in January 2026
Overlay	Overlay increased by \$25,000 due to the increase in the amount of the tax workoff program approved at the 2025ATM
Vocational School	
Total Vocational School Assessment	Currently 15 students enrolled in Tri Valley, Estimate for FY 2026 was 7. Meeting with Tri Valley on 11/19
Total Shared/Fixed Expenditures	Amount equal to Town/School Fixed Costs: Debt service, insurance, retirement, etc.
Remaining Revenue Available	Total Revenue-Fixed Expenditures=Available New Revenue
Operating Budgets: Revenue Split	
School Department (75%)	FY2026 Budget+(Rem Available Revenue*.75)
Town Departments (25%)	FY2026 Budget+(Remaining Avail Revenue*.25)