

# FY26 Operating Budget Update

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March 1, 2025

SELECT BOARD, FINANCE COMMITTEE, TOWN ADMINISTRATION, TOWN DEPARTMENTS

# Changes To Budget

Adjustments Made to FY26 Operating Budget Since 2/1/25 Meeting		
Item #	Description	Increase/ (Decrease)
Expenditures		
1	Department Head wage increases for contract settlements	\$39,520
2	Increase audit budget for new contract and one year of Single Audit	\$10,000
3	Decrease Town Counsel budget for 3A Litigation (moved to capital)	(\$25,000)
4	Increase for MASCO 2.5.25 Budget	\$130,687
5	Increase for Essex North Shore Tech Preliminary Budget	\$129,389
6	Increase DPW Salaries & Wages for Facilities Director	\$110,000
7	Increase COA Salaries & Wages for Program & Volunteer Coordinator	\$56,376
8	Increase Debt Service for reduction of CPA Fund contribution to Library Debt (RE Tax increase below to net)	\$92,875
9	Increase in Town Health Insurance for actual rates	\$113,924
<b>Total Expense Increase (Decrease)</b>		<b>\$657,771</b>

# Changes To Budget

Adjustments Made to FY26 Operating Budget Since 2/1/25 Meeting		
Item #	Description	Increase/ (Decrease)
<b>Revenues</b>		
1	Increase in net real estate tax revenue - Library Offset; Overlay Decrease	\$142,875
2	Increase motor Vehicle Excise	\$75,000
3	Increase penalties & interest on taxes	\$5,000
4	Increase MELD transfer	\$40,000
5	Increase investment income	\$25,000
6	Decrease for TSS Fee (double counted recycling sticker revenue)	(\$10,000)
7	Increase fees for change in Recycling Sticker fee	\$1,000
8	Increase Cemetery Fees	\$5,000
9	Increase in Cherry Sheet State Aid	\$62,070
10	Increase PEG transfer for salary adjustment	\$425
	<b>Total Revenue (Increase)/Decrease</b>	<b>\$346,370</b>
	<b>Net Change - From 2/1/2025</b>	<b>\$311,401</b>

# Budget Summary - Revenues

REVENUES				
	FY2025 BUDGETED	FY2026 ESTIMATE	\$ Change	% Change
NET PROPERTY TAXES RAISED	\$ 38,770,582	\$ 40,211,428	\$ 1,440,846	3.7%
TOTAL NET STATE AID	2,298,018	2,403,178	105,160	4.6%
TOTAL LOCAL RECEIPTS	4,132,344	4,315,844	183,500	4.4%
TOTAL OFFSET RECEIPTS	1,146,477	1,208,310	61,833	5.4%
TOTAL REVENUES	<u>\$ 46,347,421</u>	<u>\$ 48,138,760</u>	<u>\$ 1,791,339</u>	<u>3.9%</u>

# Budget Summary - Expenditures

## EXPENDITURES

	FY2025 BUDGET	FY2026 PROPOSED	\$ Change	% Change
TOTAL TOWN SERVICES	\$ 15,120,722	\$ 16,142,600	\$ 1,021,878	6.8%
TOWN DEBT SERVICE	3,828,178	3,952,350	124,172	3.2%
ELEMENTARY SCHOOLS	15,312,562	15,875,686	563,124	3.7%
TOTAL MASCONOMET ASSESSMENT	11,103,806	11,789,683	685,877	6.2%
TOTAL ESSEX NORTH SHORE ASSESSMENT	982,153	1,158,466	176,313	18.0%
TOTAL EXPENDITURES	<u>\$ 46,347,421</u>	<u>\$ 48,918,785</u>	<u>\$ 2,571,364</u>	<u>5.5%</u>

# Breakdown of Town Services

	FY2025	FY2026	\$ Change	% Change
<b>Total Salaries</b>	\$ 8,316,381	\$ 8,840,106	\$ 523,725	6.3%
<b>Total Other Expenses</b>	3,116,778	3,186,721	\$ 69,943	2.2%
<b>Total Capital Outlay</b>	137,500	137,500	\$ -	0.0%
<b>Total Health Insurance</b>	976,433	1,290,335	\$ 313,902	32.1%
<b>Total Retirement</b>	2,083,090	2,149,917	\$ 66,827	3.2%
<b>Total Prop &amp; Liab Insurance</b>	330,500	393,200	\$ 62,700	19.0%
<b>Total Other Unclassified</b>	140,040	144,821	\$ 4,781	3.4%

Salaries includes two new FTE ~ \$157,000

# Budget Status

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FY 2026 Proposed Revenue	\$ 48,138,760
FY 2026 Proposed Budget	\$ 48,918,785
Surplus/ (deficit)	\$ (780,025)

- Outstanding Items
  - Masco Final Budget
  - Elementary School Budget
  - Final Override Totals