

**Finance Committee
Report to Select Board
March 25, 2025**

FinCom Review of Operating and Capital Budgets

- Budget Pressures Meetings with SPS and LS in December
- Ongoing discussions with Town
- Budget Hearings in February and March
- Joint Capital Hearing in February
- Deliberation in February and March including additional meetings with proponents of articles on which the Committee requests further information
- Report to be finalized and submitted on March 31
- More to come in April

Summary

Operating Budget: \$126,040,721

FinCom recommends approval

Capital Budget: \$11,516,620

FinCom recommends approval of all capital articles except:

*Article 44: Community Preservation Act Fund -
Fairbank Community Center and Haskell Field
Landscape Master Plan*

Review of Revenue

REVENUES	FY24 Actual	FY25 Budgeted	FY26 Recommended	% Increase
Real Estate and Personal Property Taxes	105,315,361	109,295,845	112,821,267	3.23%
State Aid	7,349,362	7,695,442	7,890,000	2.53%
Medicaid Reimbursement	109,946	98,251	98,251	0.00%
Local Receipts	7,656,482	5,580,000	6,176,000	10.68%
Other Available	819,076	824,494	695,000	-15.71%
Free Cash	5,870,391	1,557,057	4,170,720	167.86%
TOTAL REVENUES & AVAILABLE FUNDS	127,120,617	125,051,089	131,851,238	5.44%

Draft Article 3: FY26 Operating Budget

ARTICLE 3. FY26 BUDGET

To see if the Town will vote to raise and appropriate, or appropriate from available funds, the following sums, or any other sum or sums, for any or all Town expenses and purposes, including debt and interest, and to provide for a Reserve Fund, all for the Fiscal Year July 1, 2025 through June 30, 2026, inclusive, in accordance with the following schedule, which is incorporated herein by reference:

EXPENDITURES		FY26 Recommende d
300	Education - Sudbury Public Schools (SPS)	47,279,447
300	Education - LS Regional High School (LS) ¹	30,252,405
300	Education - Vocational	400,000
Total Schools		77,931,852
100	General Government	3,952,959
200	Public Safety ⁴	10,679,760
400	Public Works ⁵	6,511,003
500	Human Services	1,072,144
600	Culture & Recreation	1,773,678
Total Town Departments		23,989,544
800	Reserve Fund	300,000
800	Town Wide Operating & Transfers	226,764
700	Town Debt Service	4,969,223
900	Employee Benefits (Town and SPS) ²	17,973,338
100 0	OPEB Trust Contribution (Town and SPS) ³	650,000
TOTAL OPERATING BUDGET		126,040,721

(not including Capital, Stabilization or Enterprise Funds)

Draft Article 3: FY26 Operating Budget

ARTICLE 3. FY26 BUDGET

To see if the Town will vote to raise and appropriate, or appropriate from available funds, the following sums, or any other sum or sums, for any or all Town expenses and purposes, including debt and interest, and to provide for a Reserve Fund, all for the Fiscal Year July 1, 2025 through June 30, 2026, inclusive, in accordance with the following schedule, which is incorporated herein by reference:

EXPENDITURES		FY26 Recommended
300	Education - Sudbury Public Schools (SPS)	47,279,447
300	Education - LS Regional High School (LS) ¹	30,252,405
300	Education - Vocational	400,000
Total Schools		77,931,852
100	General Government	3,952,959
200	Public Safety ⁴	10,679,760
400	Public Works ⁵	6,511,003
500	Human Services	1,072,144
600	Culture & Recreation	1,773,678
Total Town Departments		23,989,544
800	Reserve Fund	300,000
800	Town Wide Operating & Transfers	226,764
700	Town Debt Service	4,969,223
900	Employee Benefits (Town and SPS) ²	17,973,338
1000	OPEB Trust Contribution (Town and SPS) ³	650,000
TOTAL OPERATING BUDGET		126,040,721

(not including Capital, Stabilization or Enterprise Funds)

Draft Article 3: FY26 Operating Budget

ARTICLE 3. FY26 BUDGET

To see if the Town will vote to raise and appropriate, or appropriate from available funds, the following sums, or any other sum or sums, for any or all Town expenses and purposes, including debt and interest, and to provide for a Reserve Fund, all for the Fiscal Year July 1, 2025 through June 30, 2026, inclusive, in accordance with the following schedule, which is incorporated herein by reference:

<u>EXPENDITURES</u>		<u>FY26 Recommende d</u>
300	Education - Sudbury Public Schools (SPS)	47,279,447
300	Education - LS Regional High School (LS) ¹	30,252,405
300	Education - Vocational	400,000
Total Schools		77,931,852
100	General Government	3,952,959
200	Public Safety ⁴	10,679,760
400	Public Works ⁵	6,511,003
500	Human Services	1,072,144
600	Culture & Recreation	1,773,678
Total Town Departments		23,989,544
800	Reserve Fund	300,000
800	Town Wide Operating & Transfers	226,764
700	Town Debt Service	4,969,223
900	Employee Benefits (Town and SPS) ²	17,973,338
100 0	OPEB Trust Contribution (Town and SPS) ³	650,000
TOTAL OPERATING BUDGET		126,040,721

(not including Capital, Stabilization or Enterprise Funds)

Draft Article 3: FY26 Operating Budget

ARTICLE 3. FY26 BUDGET

To see if the Town will vote to raise and appropriate, or appropriate from available funds, the following sums, or any other sum or sums, for any or all Town expenses and purposes, including debt and interest, and to provide for a Reserve Fund, all for the Fiscal Year July 1, 2025 through June 30, 2026, inclusive, in accordance with the following schedule, which is incorporated herein by reference:

EXPENDITURES		FY26 Recommended
300	Education - Sudbury Public Schools (SPS)	47,279,447
300	Education - LS Regional High School (LS) ¹	30,252,405
300	Education - Vocational	400,000
Total Schools		77,931,852
100	General Government	3,952,959
200	Public Safety ⁴	10,679,760
400	Public Works ⁵	6,511,003
500	Human Services	1,072,144
600	Culture & Recreation	1,773,678
Total Town Departments		23,989,544
800	Reserve Fund	300,000
800	Town Wide Operating & Transfers	226,764
700	Town Debt Service	4,969,223
900	Employee Benefits (Town and SPS) ²	17,973,338
100 0	OPEB Trust Contribution (Town and SPS) ³	650,000
TOTAL OPERATING BUDGET		126,040,721

(not including Capital, Stabilization or Enterprise Funds)

Draft Article 3: FY26 Operating Budget

ARTICLE 3. FY26 BUDGET

To see if the Town will vote to raise and appropriate, or appropriate from available funds, the following sums, or any other sum or sums, for any or all Town expenses and purposes, including debt and interest, and to provide for a Reserve Fund, all for the Fiscal Year July 1, 2025 through June 30, 2026, inclusive, in accordance with the following schedule, which is incorporated herein by reference:

EXPENDITURES		FY26 Recommended
300	Education - Sudbury Public Schools (SPS)	47,279,447
300	Education - LS Regional High School (LS) ¹	30,252,405
300	Education - Vocational	400,000
Total Schools		77,931,852
100	General Government	3,952,959
200	Public Safety ⁴	10,679,760
400	Public Works ⁵	6,511,003
500	Human Services	1,072,144
600	Culture & Recreation	1,773,678
Total Town Departments		23,989,544
800	Reserve Fund	300,000
800	Town Wide Operating & Transfers	226,764
700	Town Debt Service	4,969,223
900	Employee Benefits (Town and SPS) ²	17,973,338
1000	OPEB Trust Contribution (Town and SPS) ³	650,000
TOTAL OPERATING BUDGET		126,040,721

(not including Capital, Stabilization or Enterprise Funds)

Draft Article 3: FY26 Operating Budget

ARTICLE 3. FY26 BUDGET

To see if the Town will vote to raise and appropriate, or appropriate from available funds, the following sums, or any other sum or sums, for any or all Town expenses and purposes, including debt and interest, and to provide for a Reserve Fund, all for the Fiscal Year July 1, 2025 through June 30, 2026, inclusive, in accordance with the following schedule, which is incorporated herein by reference:

EXPENDITURES		FY26 Recommended
300	Education - Sudbury Public Schools (SPS)	47,279,447
300	Education - LS Regional High School (LS) ¹	30,252,405
300	Education - Vocational	400,000
Total Schools		77,931,852
100	General Government	3,952,959
200	Public Safety ⁴	10,679,760
400	Public Works ⁵	6,511,003
500	Human Services	1,072,144
600	Culture & Recreation	1,773,678
Total Town Departments		23,989,544
800	Reserve Fund	300,000
800	Town Wide Operating & Transfers	226,764
700	Town Debt Service	4,969,223
900	Employee Benefits (Town and SPS) ²	17,973,338
1000	OPEB Trust Contribution (Town and SPS) ³	650,000
TOTAL OPERATING BUDGET		126,040,721

(not including Capital, Stabilization or Enterprise Funds)

Another View

	FY25 Budget				FY26 Budget				
	Operating	Employee Benefits	OPEB	All In	Operating	Employee Benefits	OPEB	All In	YOY
Education - SPS	\$45,785,871	\$9,343,175	\$436,566	\$55,565,612	\$47,279,447	\$10,335,980	\$435,500	\$58,050,927	4.47%
Education - LS (debt excluded)	\$29,046,110	included	included	\$29,046,110	\$29,824,126	included	included	\$29,824,126	2.68%
Education - Vocational	\$450,000	N/A	N/A	\$450,000	\$400,000	N/A	N/A	\$400,000	-11.11%
Town	\$23,836,790	\$7,144,239	\$213,434	\$31,194,463	\$24,516,308	\$7,637,358	\$214,500	\$32,368,166	3.76%
<i>General Government</i>	\$3,817,526				\$4,049,199				6.07%
<i>Public Safety</i>	\$10,399,287				\$10,679,760				2.70%
<i>Public Works</i>	\$6,370,755				\$6,414,763				0.69%
<i>Human Services</i>	\$1,031,178				\$1,072,144				3.97%
<i>Culture & Recreation</i>	\$1,716,739				\$1,773,678				3.32%
<i>Reserve Fund</i>	\$300,000				\$300,000				0.00%
<i>Town-Wide Operating and Transfers</i>	\$201,305				\$226,764				12.65%
Debt Service	\$5,348,836			\$5,348,836	\$5,397,502			\$5,397,502	
<i>Town (Town & SPS) Debt Service</i>	\$4,897,465				\$4,969,223				1.47%
<i>LS Debt Service</i>	\$451,371				\$428,279				-5.12%
Total Operating				\$121,605,021				\$126,040,721	3.65%

Another View

	FY25 Budget				FY26 Budget				
	Operating	Employee Benefits	OPEB	All In	Operating	Employee Benefits	OPEB	All In	YOY
Education - SPS	\$45,785,871	\$9,343,175	\$436,566	\$55,565,612	\$47,279,447	\$10,335,980	\$435,500	\$58,050,927	4.47%
Education - LS (debt excluded)	\$29,046,110	included	included	\$29,046,110	\$29,824,126	included	included	\$29,824,126	2.68%
Education - Vocational	\$450,000	N/A	N/A	\$450,000	\$400,000	N/A	N/A	\$400,000	-11.11%
Town	\$23,836,790	\$7,144,239	\$213,434	\$31,194,463	\$24,516,308	\$7,637,358	\$214,500	\$32,368,166	3.76%
<i>General Government</i>	\$3,817,526				\$4,049,199				6.07%
<i>Public Safety</i>	\$10,399,287				\$10,679,760				2.70%
<i>Public Works</i>	\$6,370,755				\$6,414,763				0.69%
<i>Human Services</i>	\$1,031,178				\$1,072,144				3.97%
<i>Culture & Recreation</i>	\$1,716,739				\$1,773,678				3.32%
<i>Reserve Fund</i>	\$300,000				\$300,000				0.00%
<i>Town-Wide Operating and Transfers</i>	\$201,305				\$226,764				12.65%
Debt Service	\$5,348,836			\$5,348,836	\$5,397,502			\$5,397,502	
<i>Town (Town & SPS) Debt Service</i>	\$4,897,465				\$4,969,223				1.47%
<i>LS Debt Service</i>	\$451,371				\$428,279				-5.12%
Total Operating				\$121,605,021				\$126,040,721	3.65%

Another View

	FY25 Budget				FY26 Budget				
	Operating	Employee Benefits	OPEB	All In	Operating	Employee Benefits	OPEB	All In	YOY
Education - SPS	\$45,785,871	\$9,343,175	\$436,566	\$55,565,612	\$47,279,447	\$10,335,980	\$435,500	\$58,050,927	4.47%
Education - LS (debt excluded)	\$29,046,110	included	included	\$29,046,110	\$29,824,126	included	included	\$29,824,126	3.00%
Education - Vocational	\$450,000	N/A	N/A	\$450,000	\$400,000	N/A	N/A	\$400,000	-11.11%
Town	\$23,836,790	\$7,144,239	\$213,434	\$31,194,463	\$24,516,308	\$7,637,358	\$214,500	\$32,368,166	3.76%
<i>General Government</i>	\$3,817,526				\$4,049,199				6.07%
<i>Public Safety</i>	\$10,399,287				\$10,679,760				2.70%
<i>Public Works</i>	\$6,370,755				\$6,414,763				0.69%
<i>Human Services</i>	\$1,031,178				\$1,072,144				3.97%
<i>Culture & Recreation</i>	\$1,716,739				\$1,773,678				3.32%
<i>Reserve Fund</i>	\$300,000				\$300,000				0.00%
<i>Town-Wide Operating and Transfers</i>	\$201,305				\$226,764				12.65%
Debt Service	\$5,348,836			\$5,348,836	\$5,397,502			\$5,397,502	
<i>Town (Town & SPS) Debt Service</i>	\$4,897,465				\$4,969,223				1.47%
<i>LS Debt Service</i>	\$451,371				\$428,279				-5.12%
Total Operating				\$121,605,021				\$126,040,721	3.65%

FinCom Recommends Approval of FY26 Operating Budget

- Town
 - Within guidance
 - Tight budget environment
 - Limited levers
- SPS
 - Within guidance
 - Highest increase
- LS
 - 3% overall, within guidance
 - Some concerns with extent of circuit breaker use

Capital Budget

Category	Amount	Source
Town Manager's Capital Budget	\$1,219,400	Tax Levy
Other Capital Items	\$3,083,220	
In-Levy Items	\$100,000	Tax Levy
Free Cash Items	\$2,983,220	Free Cash
Debt	\$7,214,000	Debt
Atkinson Pool	\$429,000	In-levy debt
Ford Ambulance	\$500,000	Debt
Haynes Roof	\$3,530,000	Debt Exclusion
Nixon Roof	\$2,755,000	Debt Exclusion
Total	\$11,516,620	Levy: \$1,319,400 Free Cash: \$2,983,220 Future Debt: \$7,214,000

Notes on Capital

- Opposition
 - Article 44: Community Preservation Act Fund - Fairbank Community Center and Haskell Field Landscape Master Plan (4-5)
- Support with extensive discussion
 - Article 36: SPS - School Classroom Instructional Equipment Replacement
 - Article 37: SPS - ELA Curriculum Implementation
 - Article 40: SPS - Haynes Elementary Roof Replacement and Repair
 - Article 41: SPS - Nixon Elementary Roof Replacement and Repair
 - Article 49: Community Preservation Act Fund - Hosmer House Envelope & HVAC
 - Article 50: Community Preservation Act Fund - Hosmer House Roof

Other Notes

- Article 13: Transfer into Capital Stabilization Fund (\$700,000)
- Article 15: Create Pension Stabilization Fund (1-8)
- Article 16: Create Accrued Leave Fund (1-8)
- Article 24: Amend Bylaws, C. 11 Capital Planning (2-6-1)

No Position

- Article 27: Adopt Opt-In Specialized Stretch Energy Code
- Article 34: Atkinson Pool Renovation Additional Funds
- Article 42: Sudbury 250th Committee Funds
- Article 43: MBTA Buildings - Funding for Acquisition
- Article 46: Community Preservation Act Fund - Sudbury Housing Authority Allocation
- Article 54: Decrease CPA surcharge
- Article 55: Means tested tax exemption
- Article 56: Walkway Funding and Taking