Sudbury 3 Year Projected Revenue and Expenditures FY27-FY29 (8/31/26 Meeting)

REVENUES	FY26 Actual	FY27 Budgeted	FY28 Projected	% Increase	FY29 Projected	% Increase	FY30 Projected	% Increase
Real Estate and Personal Property Taxes	$ 112,854,980	$ 116,746,807	$ 120,135,598	2.90%	$ 123,113,281	2.48%	$ 126,227,954	2.53%
State Aid	8,071,734	8,570,157	8,786,398	2.52%	9,008,758	2.53%	9,237,416	2.54%
Local Receipts	10,667,519	7,140,000	7,880,000	10.36%	7,880,000	0.00%	7,880,000	0.00%
Ambulance Receipts and Other Transfers	695,000	780,000	880,000	12.82%	900,000	2.27%	925,000	2.78%
Free Cash	4,060,820	6,289,379	-		-		-	
TOTAL REVENUES	**$ 136,350,053**	**$ 139,526,343**	**$ 137,681,996**	**-1.32%**	**$ 140,902,039**	**2.34%**	**$ 144,270,370**	**2.39%**

EXPENDITURES	FY26 Actual	FY27 Budgeted	FY28 Projected		FY29 Projected		FY30 Projected	
Education - SPS	$ 47,481,809	$ 49,252,426	$ 51,457,242	4.48%	$ 53,342,833	3.66%	$ 54,943,118	3.00%
Education - LS	30,193,976	31,012,531	31,942,907	3.00%	32,901,194	3.00%	33,888,230	3.00%
Education - Vocational	447,730	580,000	597,400	3.00%	615,322	3.00%	633,782	3.00%
General Government	3,875,928	4,256,165	4,457,367	4.73%	4,686,916	5.15%	4,912,371	4.81%
Public Safety	10,508,491	10,978,200	11,384,725	3.70%	11,818,600	3.81%	12,213,756	3.34%
Public Works	7,276,609	6,709,072	6,950,284	3.60%	7,197,914	3.56%	7,449,684	3.50%
Human Services	1,023,491	1,253,437	1,314,538	4.87%	1,375,644	4.65%	1,438,684	4.58%
Culture & Recreation	1,713,182	1,745,754	1,814,174	3.92%	1,895,891	4.50%	1,974,703	4.16%
Total Town Departments	**$ 102,521,217**	**$ 105,787,586**	**$ 109,918,637**	**3.91%**	**$ 113,834,314**	**3.56%**	**$ 117,454,328**	**3.18%**
Reserve Fund	$ -	$ 300,000	$ 300,000	0.00%	$ 300,000	0.00%	$ 300,000	0.00%
Town-Wide Operating	188,597	239,250	258,390	8.00%	279,061	8.00%	301,386	8.00%
Debt Service	4,760,585	5,266,335	5,814,635	10.41%	5,630,860	-3.16%	5,499,335	-2.34%
Employee Benefits (Town and SPS)	17,439,902	19,660,335	21,308,102	8.38%	23,099,016	8.40%	25,045,876	8.43%
OPEB Trust Contribution (Town & SPS)	650,000	500,000	500,000	0.00%	500,000	0.00%	500,000	0.00%
State & County Charges	253,706	263,926	272,504	3.25%	281,360	3.25%	290,504	3.25%
Total Operating Budget	**$ 125,814,007**	**$ 132,017,432**	**$ 138,372,268**	**4.81%**	**$ 143,924,611**	**4.01%**	**$ 149,391,429**	**3.80%**
Town Managers' Capital Budget	$ 1,219,400	$ 1,195,600	$ 1,200,000	0.37%	$ 1,200,000	0.00%	$ 1,200,000	0.00%
Other Financing Uses (Capital/Articles)	4,170,920	5,974,479	10,100	-99.83%	10,100	0.00%	10,100	0.00%
Reserve for Abatements (Overlay)	90,580	25,000	25,000	0.00%	150,000	500.00%	300,000	100.00%
TOTAL EXPENDITURES	**$ 131,294,907**	**$ 139,212,511**	**$ 139,607,368**	**0.28%**	**$ 145,284,711**	**4.07%**	**$ 150,901,529**	**3.87%**
Deficit/Surplus	**$ 5,055,146**	**$ 313,832**	**($1,925,372)**		**($4,382,672)**		**($6,631,159)**	

FY2028 BUDGET OUTLOOK

Numbers as of August 31, 2026

Projected Budget Gap of $1.93 Million

AVAILABLE ADDITIONAL REVENUE

$4.43M

Total projected available revenue

3.34% increase

PROJECTED ADDITIONAL EXPENSES

$6.36M

Total projected expense increase

4.77% increase

PROJECTED BUDGET GAP

($1.93M)

Projected shortfall (Deficit)

REVENUE BREAKDOWN ($4.43M)

Revenue Source	Amount	% Increase
Property Taxes	$3.39M	2.90%
State Aid	$216K	2.52%
Local Receipts	$740K	10.36%
Ambulance	$100K	12.82%
All Other Revenues	$4.4K	—
TOTAL PROJECTED AVAILABLE REVENUE	**$4.43M**	**3.34%**

FIXED COSTS BREAKDOWN ($2.20M)

Fixed Cost Category	Amount	% Increase
Debt Service	$548K	10.41%
Employee Benefits	$1.65M	7.73%
State Charges	$8K	3.25%
TOTAL FIXED COSTS	**$2.20M**	**8.75%**

PROJECTED EXPENSE INCREASES BY COST CENTER

Cost Center	Amount	% Increase
Sudbury Public Schools (SPS)*	$2.20M	4.48%
Lincoln-Sudbury Regional High School (LS)	$930K	3.00%
Vocational Education	$17K	3.00%
Town Departments	$978K	3.92%
Town Wide	$19K	8.00%
Other	$4.4K	—
TOTAL COST CENTER EXPENSES INCREASE	**$4,150,191**	**3.90%**
TOTAL PROJECTED EXPENSE INCREASE	**$6,359,236**	**4.77%**

WHERE THE MONEY GOES

Projected Available Revenue **$4.43M** → Fixed Costs **($2.20M)** → Remaining Revenue **$2.23M** → Operating Budget Increase **($4.15M)** → Projected Budget Gap (Deficit) **($1.93M)**

The Town is projected to face a budget gap of **$1.93 million in FY2028.** This reflects total projected available revenue of **$4.43 million** compared to total projected expense increases of **$6.36 million.**

* *SPS projections exclude the conditional 2% contractual salary increase that would apply only upon approval of a Proposition 2 1/2 override.*

Available Revenue - Projected Expenses Incr FY2027 to FY2028

Available Revenue FY27 to FY28	Available Revenue FY28	% Incr
Real Estate and Personal Property Taxes	$ 3,388,791	2.90%
State Aid	216,241	2.52%
Local Receipts	740,000	10.36%
Ambulance Receipts and Other Transfers	100,000	12.82%
Unused Levy Previous Year	313,832	
Free Cash (OPEB)	(325,000)	
TOTAL REVENUES Incr. FY28	**$ 4,433,864**	**3.34%**

Fixed Cost - Increase FY27 to FY28	FY28 Projected Exp	% Incr
Debt Service	$ 548,300	10.41%
Employee Benefits	1,647,767	7.73%
State & County Charges	8,578	3.25%
Total Fixed Cost	**$ 2,204,645**	**8.75%**
Total Available Revenue After Fixed Cost	**$ 2,229,219**	

Cost Center Increase (Operating Budget)	FY28 Projected Exp	% Incr
Education - SPS	2,204,816	4.48%
Education - LS	930,376	3.00%
Education - Vocational	17,400	3.00%
Town Departments	978,459	3.92%
Town-Wide Operating	19,140	8.00%
Reserve Fund	-	0.00%
Total Operating Budget Increase	**$ 4,150,191**	**3.90%**

Other Expenses Increase	FY28 Projected Exp	% Incr
Town Managers' Capital Budget	$ 4,400	
Other Financing Uses (Capital/Articles)		
Reserve for Abatements (Overlay)	-	
Total Other	**$ 4,400**	
TOTAL EXPENSES Incr. FY28	**$ 6,359,236**	**4.77%**
Deficit/Surplus	**($1,925,372)**	

FY2028 BUDGET OUTLOOK

Where We Were on June 18, 2026

BUDGET GAP SUMMARY

ORIGINAL PROJECTED BUDGET GAP	IMPROVEMENTS FROM 6/18/26 REVENUE & EXPENSE ADJUSTMENTS	REVISED PROJECTED BUDGET GAP
$3,000,004	$1,074,632	$1,925,372

REVENUE CHANGES – UP $1,183,740

Local Receipts Increase	+$650,000
Ambulance Receipts Increase	+$100,000
Exempt Debt Increase	+$149,036
FY27 State Aid Increase	+$284,704
TOTAL REVENUE INCREASE	**+$1,183,740**

EXPENSE CHANGES – UP $109,108

Debt Service Increase	+$321,025
Employee Benefits Decrease	($160,068)
Town Department Decrease	($2,399)
Town Wide Operating Increase	+$7,178
Overlay Decrease	($25,000)
State Assessments Decrease	($31,628)
TOTAL EXPENSE INCREASE	**+$109,108**

FY2028 BUDGET OUTLOOK – BIG PICTURE

TOTAL PROJECTED EXPENSES / INCREASE FY2028
$6,359,236
4.77% Increase

–

TOTAL PROJECTED REVENUE / INCREASE FY2028
$4,433,864
3.34% Increase

=

PROJECTED BUDGET GAP / FY2028
$1,925,372

Our goal is to present a balanced budget that maintains essential services, invests in our community, and supports long-term fiscal health.

FY28 Differences from June 2026 Meeting and August 2026 Meeting

REVENUES	FY28 Proj Aug 31	FY28 Proj June 18	Increase/ Decrease
Real Estate and Personal Property Taxes	$ 120,135,598	$ 119,986,562	149,036
State Aid	8,786,398	8,501,694	284,704
Local Receipts	7,880,000	7,230,000	650,000
Ambulance Receipts and Other Transfers	880,000	780,000	100,000
Free Cash	-	-	
TOTAL REVENUES	**$ 137,681,996**	**$ 136,498,257**	**1,183,739**

EXPENDITURES	FY28 Projected	FY28 Projected	
Education - SPS	$ 51,457,242	$ 51,457,242	-
Education - LS	31,942,907	31,942,907	-
Education - Vocational	597,400	597,400	-
General Government	4,457,367	4,458,221	(854)
Public Safety	11,384,725	11,385,317	(592)
Public Works	6,950,284	6,950,618	(334)
Human Services	1,314,538	1,315,094	(556)
Culture & Recreation	1,814,174	1,814,237	(63)
Total Town Departments	**$ 109,918,637**	**$ 109,921,036**	**(2,399)**
Reserve Fund	$ 300,000	$ 300,000	-
Town-Wide Operating	258,390	251,213	7,178
Debt Service	5,814,635	5,493,610	321,025
Employee Benefits (Town and SPS)	21,308,102	21,468,170	(160,068)
OPEB Trust Contribution (Town & SPS)	500,000	500,000	-
State & County Charges	272,504	304,132	(31,628)
Total Operating Budget	**$ 138,372,268**	**$ 138,238,161**	**134,107**
Town Managers' Capital Budget	$ 1,200,000	$ 1,200,000	-
Other Financing Uses (Capital/Articles)	10,100	10,100	-
Reserve for Abatements (Overlay)	25,000	50,000	(25,000)
TOTAL EXPENDITURES	**$ 139,607,368**	**$ 139,498,261**	**109,107**
Deficit/Surplus	**($1,925,372)**	**($3,000,004)**	**1,074,633**

FY2028 BUDGET OUTLOOK

How We Can Resolve the Projected Budget Gap

Numbers as of August 31, 2026

TOTAL PROJECTED EXPENSES
$6,359,236
4.77% Increase

−

TOTAL PROJECTED REVENUE
$4,433,864
3.34% Increase

=

PROJECTED BUDGET GAP
$1,925,372

OPTIONS TO ADDRESS THE BUDGET GAP

1 USE OF FREE CASH TO SUPPORT OPEB CONTRIBUTION

In FY2027, Free Cash was used in the amount of $325K to support the Town's OPEB contribution.

We are proposing to use $500K to reduce the budget gap.

POSSIBLE USE: $500K
Reduces deficit to
$1,425,372.

2 USE OF RESERVES

STABILIZATION FUND
The Stabilization Fund can be used for one-time needs like FINCOM Reserve Fund, Capital, and Overlay Offset.

CAPITAL STABILIZATION FUND
Can be used to fund Town Manager Capital Article priorities.

OPEB FUND
Use to fund Retiree Insurance Premiums.

POSSIBLE USE: $500K
Reduces deficit to
$925,372.

3 SPECIAL REVENUE FUNDS

- Solar Revolving Fund
  - Current Balance: $1M
  - Solar Revenue: FY26: $509K
  - FY26 Expenses: $306K
- School Revolving Funds
- CPA Funds $25K (Use for benefits for CPA supported employees.)

POSSIBLE USE: $325K
Reduces deficit to
$600,372.

4 ADDITIONAL INCREASE IN LOCAL RECEIPTS/ REVENUE

- FY27 we increased in local receipts by $865,425.
- For FY28 we are proposing an increase of $740,000.
- Total increase for FY27 and FY28: $1.6M.
- New Growth FY27 – We don't anticipate any major changes from estimates at this time.

Caution: We have already increased local receipts. Further increases should be approached carefully.

5 DEPARTMENT & COST CENTER CUTS

Identify efficiencies, reduce non-essential spending, and control cost growth across departments and cost centers.

Every department and cost center will be asked to review and identify potential reductions.

A COMBINATION OF STRATEGIES

The Town will need to use a combination of reserves, cost reductions, and revenue enhancements to bridge the projected budget gap and maintain long-term financial stability.

Use of Free Cash to Support OPEB Contribution + Use of Stabilization, Capital Stabilization and OPEB Funds + Special Revenue Funds + Additional Increase in Local Receipts/ Revenue + Department & Cost Center Cuts = **REDUCED BUDGET GAP** Stronger Financial Position

Our goal is to present a balanced budget that maintains essential services, invests in our community, and supports long-term fiscal health.

TAX IMPACT

Where the Average Residential Tax Bill Goes

AVERAGE RESIDENTIAL TAX BILL
$16,678
Based on FY26 Tax Rate

EDUCATION	INSURANCE & BENEFITS	PUBLIC SAFETY	PUBLIC WORKS	DEBT SERVICE	GENERAL GOVERNMENT
59.66%	14.92%	8.33%	5.09%	4.54%	3.23%
$9,950.79	$2,489.03	$1,389.86	$849.38	$757.01	$538.84
of average tax bill	of average tax bill	of average tax bill	of average tax bill	of average tax bill	of average tax bill

MAJOR TAX BILL CATEGORIES

Category	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)	% of Tax Bill (Bar Chart)
Education	59.66%	$9,950.79	59.66%
Insurance & Benefits	14.92%	$2,489.03	14.92%
Public Safety	8.33%	$1,389.86	8.33%
Public Works	5.09%	$849.38	5.09%
Debt Service	4.54%	$757.01	4.54%
General Government	3.23%	$538.84	3.23%
Culture & Recreation	1.33%	$221.02	1.33%
Health & Human Services	0.95%	$158.69	0.95%
OPEB	0.38%	$63.30	0.38%
Town-Wide Operations	0.18%	$30.29	0.18%
TOTAL	**100.00%**	**$16,678.00**	

EDUCATION BREAKDOWN (59.66% of Tax Bill)

Education Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Sudbury Public Schools (SPS)	35.68%	$5,951.13
Lincoln-Sudbury RSD (LS)	23.54%	$3,926.24
Vocational Education	0.44%	$73.43
TOTAL EDUCATION	**59.66%**	**$9,950.79**

PUBLIC SAFETY BREAKDOWN (8.33% of Tax Bill)

Public Safety Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Police	3.68%	$614.13
Fire	4.39%	$731.79
Building	0.26%	$43.94
TOTAL PUBLIC SAFETY	**8.33%**	**$1,389.86**

PUBLIC WORKS BREAKDOWN (5.09% of Tax Bill)

Public Works Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Engineering	0.43%	$72.50
Streets and Roads	2.28%	$380.77
Snow and Ice	0.38%	$63.93
Trees and Cemetery	0.39%	$65.37
Parks and Grounds	0.27%	$44.23
Facilities	1.33%	$222.58
TOTAL PUBLIC WORKS	**5.09%**	**$849.38**

HEALTH & HUMAN SERVICES BREAKDOWN (0.95% of Tax Bill)

Health & Human Services Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Board of Health	0.57%	$95.15
Senior Center	0.34%	$56.03
Veterans Affairs	0.05%	$7.51
TOTAL HEALTH & HUMAN SERVICES	**0.95%**	**$158.69**

GENERAL GOVERNMENT BREAKDOWN (3.23% of Tax Bill)

General Government Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Select Board/Town Manager	0.60%	$100.68
Human Resources	0.18%	$30.67
Accounting	0.26%	$43.34
Finance Committee	0.00%	$0.58
Assessors	0.27%	$44.74
Assistant Town Manager/ Finance Director	0.37%	$61.90
Information Systems	0.56%	$93.58
Law	0.16%	$25.95
Town Clerk and Registrars	0.27%	$45.29
Conservation	0.22%	$36.60
Planning and Board of Appeals	0.33%	$55.50
TOTAL GENERAL GOVERNMENT	**3.23%**	**$538.84**

CULTURE & RECREATION BREAKDOWN (1.33% of Tax Bill)

Culture & Recreation Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Goodnow Library	1.18%	$196.28
Recreation	0.14%	$22.76
Historical Commission	0.01%	$1.41
Historic Districts Commission	0.00%	$0.57
TOTAL CULTURE & RECREATION	**1.33%**	**$221.02**

INSURANCE & BENEFITS BREAKDOWN (14.92% of Tax Bill)

Insurance & Benefits Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
School Insurance & Benefits	8.87%	$1,479.43
Town Insurance & Benefits	6.05%	$1,009.60
TOTAL INSURANCE & BENEFITS	**14.92%**	**$2,489.03**

DEBT SERVICE BREAKDOWN (4.54% of Tax Bill)

Debt Service Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Debt Service Non-Exempt	0.78%	$125.54
Debt Service Exempt	3.76%	$631.47
TOTAL DEBT SERVICE	**4.54%**	**$757.01**

OPEB BREAKDOWN (0.38% of Tax Bill)

OPEB Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
OPEB	0.38%	$63.30
TOTAL OPEB	**0.38%**	**$63.30**

TOWN-WIDE OPERATIONS BREAKDOWN (0.18% of Tax Bill)

Town-Wide Operations Component	% of Tax Bill (Percentage)	Amount of Tax Bill (Dollars)
Town-Wide Operations	0.18%	$30.29
TOTAL TOWN-WIDE OPERATIONS	0.18%	$30.29

TOWN MANAGER CAPITAL ARTICLE	**0.91%**	**$151.36**
OTHER (ASSESSMENT, OVERLAY, RESERVE FUND)	**0.47%**	**$78.44**

Sudbury 3 Year Projected Revenue and Expenditures FY27-FY29 (06/18/26 Meeting)

REVENUES	FY26 Budgeted	FY27 Projected	% Increase	FY28 Projected	% Increase	FY29 Projected	% Increase
Real Estate and Personal Property Taxes	$ 113,991,388	$ 116,746,796	2.42%	$ 119,986,562	2.78%	$ 123,166,270	2.65%
State Aid	8,089,560	8,292,754	2.51%	8,501,694	2.52%	8,716,551	2.53%
Local Receipts	6,274,585	7,140,000	13.79%	7,230,000	1.26%	7,321,800	1.27%
Ambulance Receipts and Other Transfers	695,000	780,000	12.23%	780,000	0.00%	780,000	0.00%
Free Cash	4,060,820	5,989,379	47.49%	-		-	
TOTAL REVENUES	**$ 133,111,353**	**$ 138,948,928**	**4.39%**	**$ 136,498,257**	**-1.76%**	**$ 139,984,621**	**2.55%**
EXPENDITURES	**FY26 Budgeted**	**FY27 Projected**		**FY28 Projected**		**FY29 Projected**	
Education - SPS	$ 47,279,447	$ 49,252,426	4.17%	$ 51,457,242	4.48%	$ 53,342,833	3.66%
Education - LS	30,252,405	31,012,531	2.51%	31,942,907	3.00%	32,901,194	3.00%
Education - Vocational	400,000	580,000	45.00%	597,400	3.00%	615,322	3.00%
General Government	4,049,200	4,256,165	5.11%	4,458,221	4.75%	4,662,738	4.59%
Public Safety	10,679,760	10,978,200	2.79%	11,385,317	3.71%	11,810,577	3.74%
Public Works	6,414,764	6,709,072	4.59%	6,950,618	3.60%	7,193,383	3.49%
Human Services	1,072,145	1,253,437	16.91%	1,315,094	4.92%	1,371,439	4.28%
Culture & Recreation	1,773,678	1,745,754	-1.57%	1,814,237	3.92%	1,886,030	3.96%
Total Town Departments	**$ 101,921,399**	**$ 105,787,586**	**3.79%**	**$ 109,921,036**	**3.91%**	**$ 113,783,515**	**3.51%**
Reserve Fund	$ 300,000	$ 300,000	0.00%	$ 300,000	0.00%	$ 300,000	0.00%
Town-Wide Operating	216,664	239,250	10.42%	251,213	5.00%	263,773	5.00%
Debt Service	4,969,223	5,266,335	5.98%	5,493,610	4.32%	5,378,860	-2.09%
Employee Benefits (Town and SPS)	17,973,338	19,660,335	9.39%	21,468,170	9.20%	23,449,135	9.23%
OPEB Trust Contribution (Town & SPS)	650,000	500,000	-23.08%	500,000	0.00%	500,000	0.00%
State & County Charges	285,287	294,559	3.25%	304,132	3.25%	314,016	3.25%
Total Operating Budget	**$ 126,315,910**	**$ 132,048,065**	**4.54%**	**$ 138,238,161**	**4.69%**	**$ 143,989,300**	**4.16%**
Town Managers' Capital Budget	$ 1,219,400	$ 1,195,600	-1.95%	$ 1,200,000	0.37%	$ 1,200,000	0.00%
Other Financing Uses (Capital/Articles)	4,170,920	5,674,479	36.05%	10,100	-99.82%	10,100	0.00%
Reserve for Abatements (Overlay)	90,580	25,000	-72.40%	50,000	100.00%	50,000	0.00%
TOTAL EXPENDITURES	**$ 131,796,810**	**$ 138,943,144**	**5.42%**	**$ 139,498,261**	**0.40%**	**$ 145,249,400**	**4.12%**
Deficit/Surplus	**$ 1,314,543**	**$ 5,785**		**($3,000,004)**		**($5,264,779)**	