
Fiscal Year 2027 Budget Preview

John Mangiaratti, Town Manager



August 25, 2025

FY2025 in Summary



Photos showing some of programs and events hosted by the Acton 250 Committee

FY2025 Highlights/ Achievements

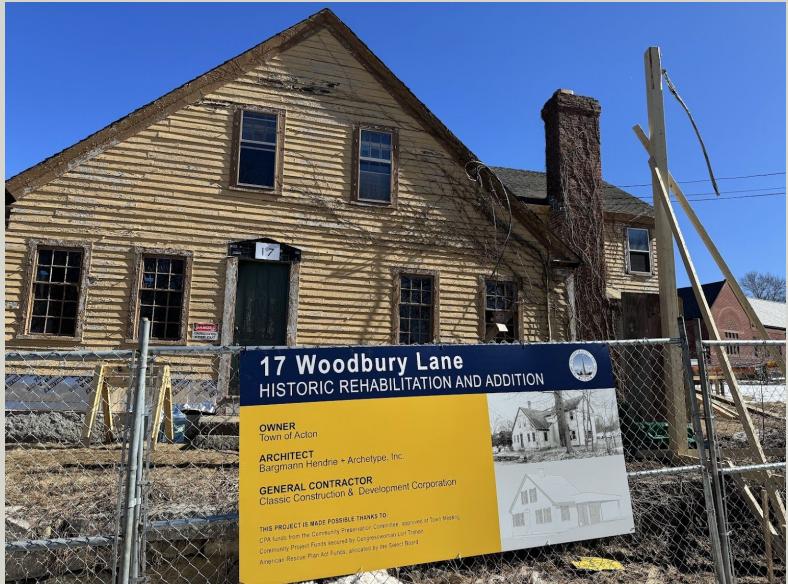


Town Meeting Approval and Purchase of the Wetherbee/Moritz Forest Conservation Land, funded in part by a \$500k LAND Grant



New business Ribbon Cuttings:
Stop and Shop
(left), Velvet Vine,
Silver Girl (below),
Luna Mexican
Cuisine, As You
Like It Hair Salon,
and more!

FY2025 Highlights/ Achievements



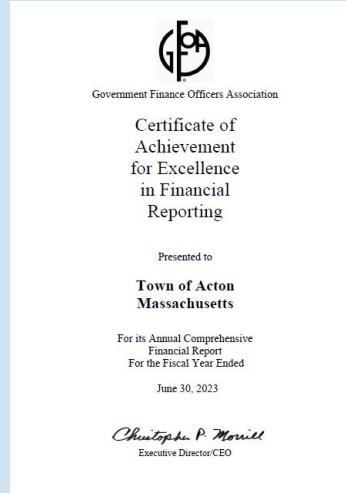
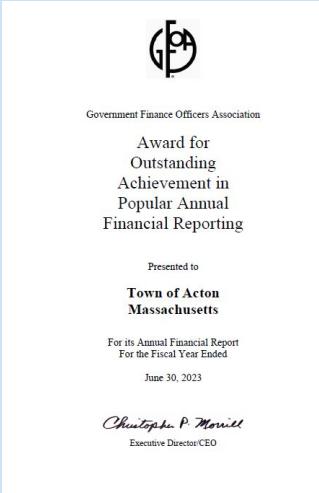
Launched renovations of 17 Woodbury property, funded by ARPA and Federal HUD Earmark

Public Art Mural unveiled at Acton Pharmacy



FY2025 Highlights/ Achievements

Acton was designated as a Climate Leader Community by the MA Department of Energy Resources in May 2025



The Town of Acton received awards from the Government Finance Officers Association (GFOA) for the FY2023 Popular Annual Financial Report and the Annual Comprehensive Financial Report.

FY2025 Highlights/ Achievements



Andrea Becerra, Acton's sustainability director, appears in a recent local television ad promoting the town's Clean Energy Coaching program.

Acton was recognized at the MMA's Connect 351 Conference in January 2025 as a recipient of Municipal Innovation Award for its Energy Coaching Program.

Police Chief James Cogan received recognition as a recipient of the Metro Boston Crisis Intervention Team Training and Technical Assistance Center's 2025 Visionary Award for his work in increasing the department's Crisis Intervention Team training and addressing officer wellness.



Employee and Volunteer Recognition



Recipients of the
2025 Col. Francis
Faulkner Sr.
Exemplary Volunteer
of the Year included:

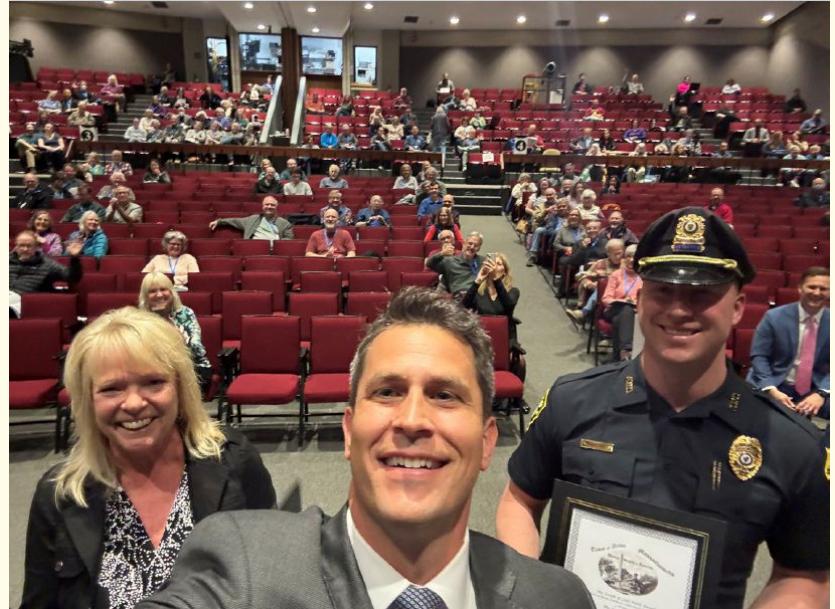
Pat Clifford, Peter
Darlow, Michaela
Moran, Sahana
Purohit, and John
Watlington

Employee and Volunteer Recognition



Employees with 10, 20, and 30 years of service to the Town of Acton were recognized at the 2025 STAR Awards in May.

Marty Abbott and Douglas Mahoney were recognized as the 2024 Joseph A. Lalli Employees of the year at the 2025 Annual Town Meeting



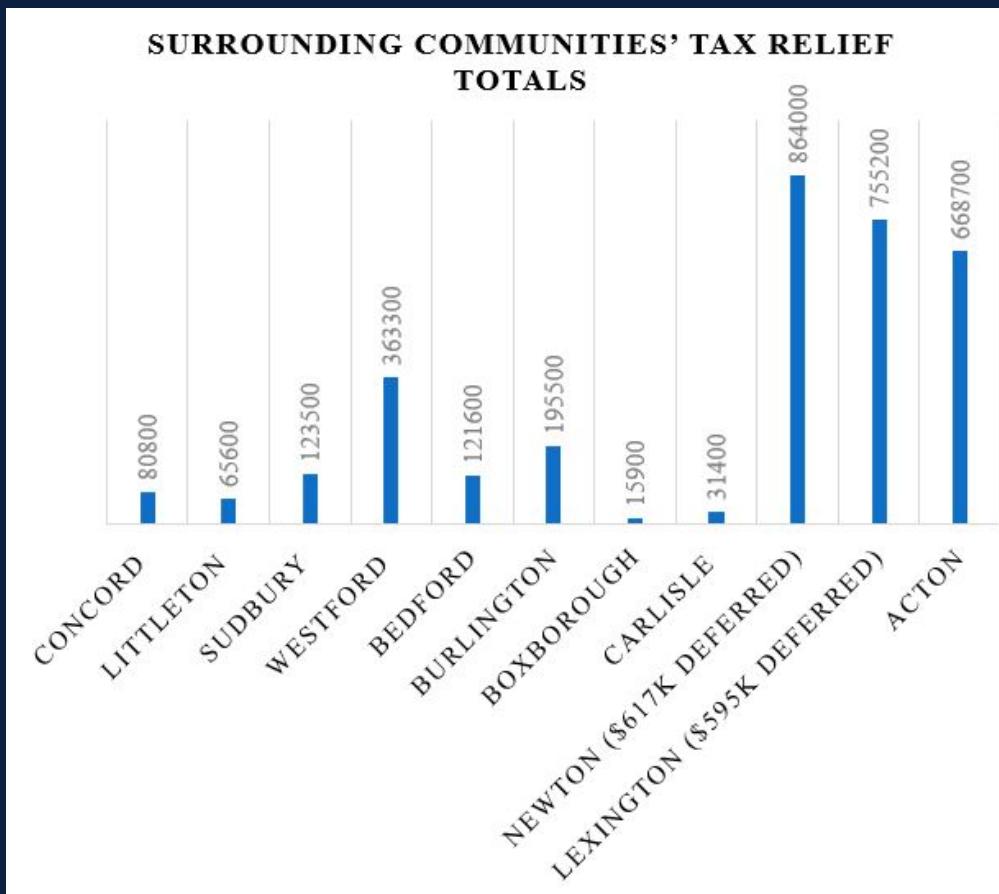
Grant Update

- \$3.9 million of grant dollars spent in FY25 from 53 separate grants
- More than \$15 M received from competitive grants in the last 5 years
 - Sewer Extension for McManus Manor: \$2,300,000
 - Federal Earmark for 17 Woodbury: \$750,000
 - LAND Grant for Wetherbee Land: \$500,000
 - HVAC Units for ABRSD: \$500,000
 - Cemetery Chapel ADA Improvements: \$250,000
 - Stanton Foundation \$250,000 for Dog Park
 - Minuteman Regional Bike Share: \$187,450
 - IT Community Compact Grant: \$114,563
 - Health Assessment and Equity Audit: \$90,000
 - Fire Department Study: \$57,500



Tax Relief

- In FY25 Acton provided \$668,700 in tax relief through exemptions to over 250 households
- A variety of programs are available for those in need of assistance:
 - Low income seniors
 - Disabled veterans
 - Surviving spouses of veterans/first responders
 - Blind individuals
 - Those in positions of medical and/or financial hardship.



FY25 Preliminary Results: Revenues

Property Taxes:

- Total Billings: \$114,955,151
- Total Collections: \$113,350,954

Estimated FY2025 Collection Rate: 98.60%

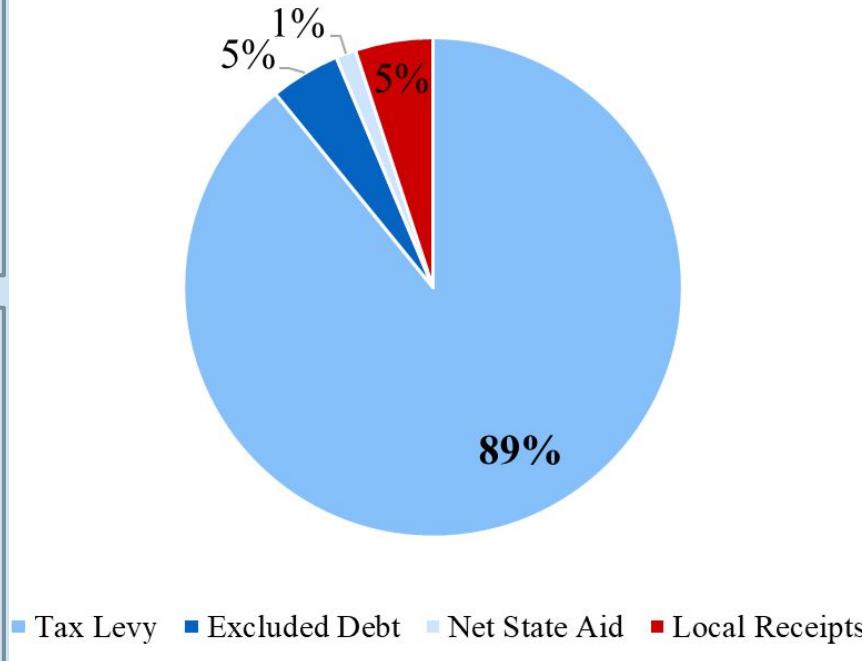
Local Receipts:

- Total FY25 Recap Estimate: \$6,185,872
- Total Net Collections: \$7,410,088

Estimated FY2025 Collection Rate: 119.79%

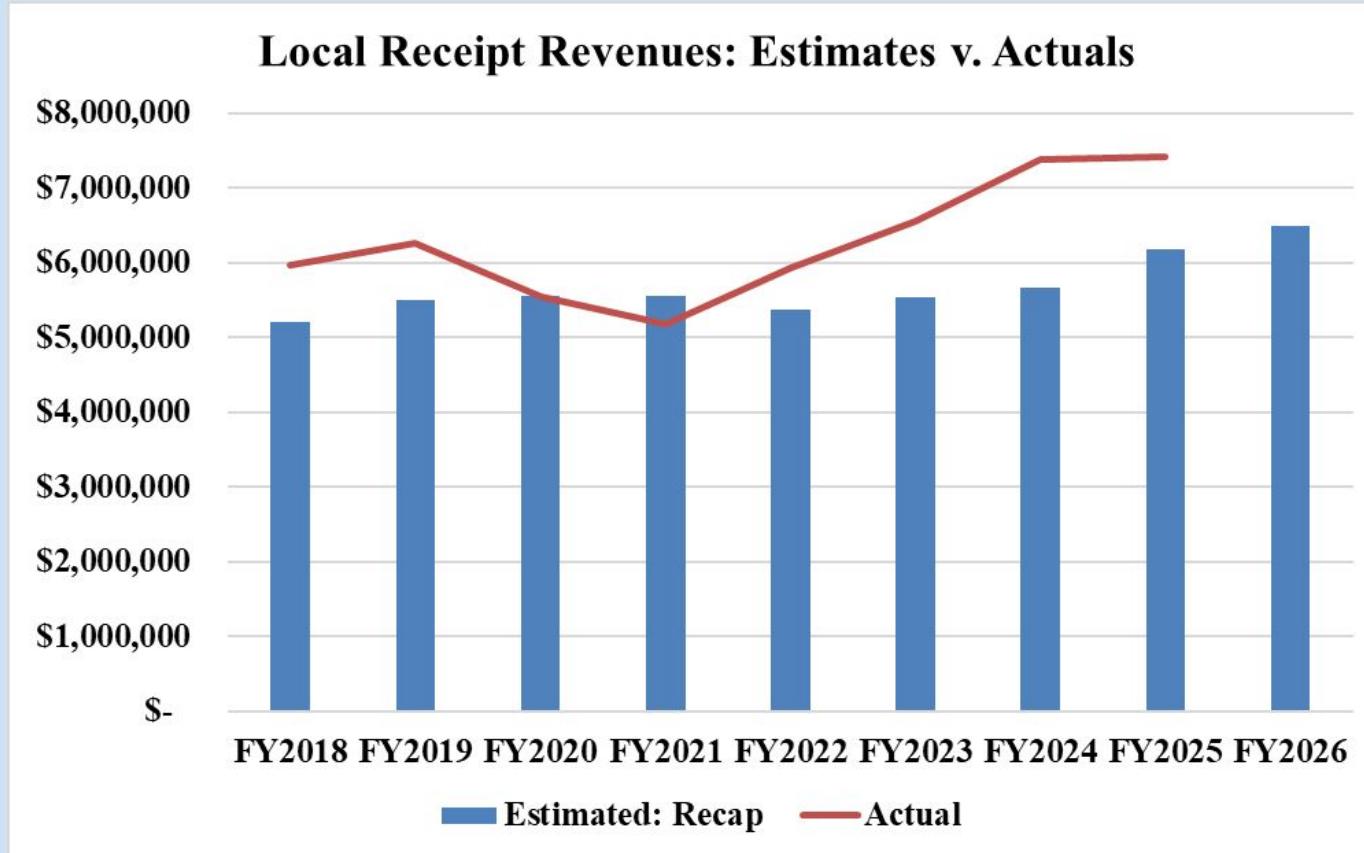
Revenue Collected above Estimates: \$1.2M

FY2025 Revenue Breakdown



FY2025 results are unaudited and are subject to change.

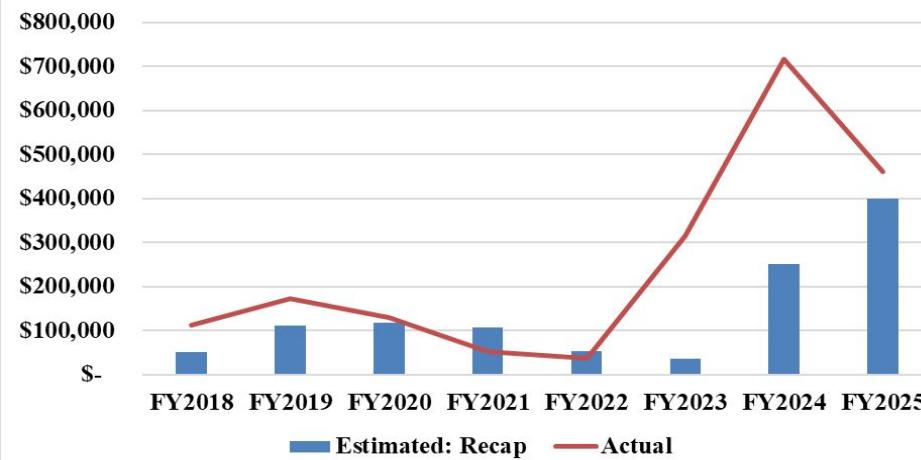
FY25 Preliminary Results: Revenues



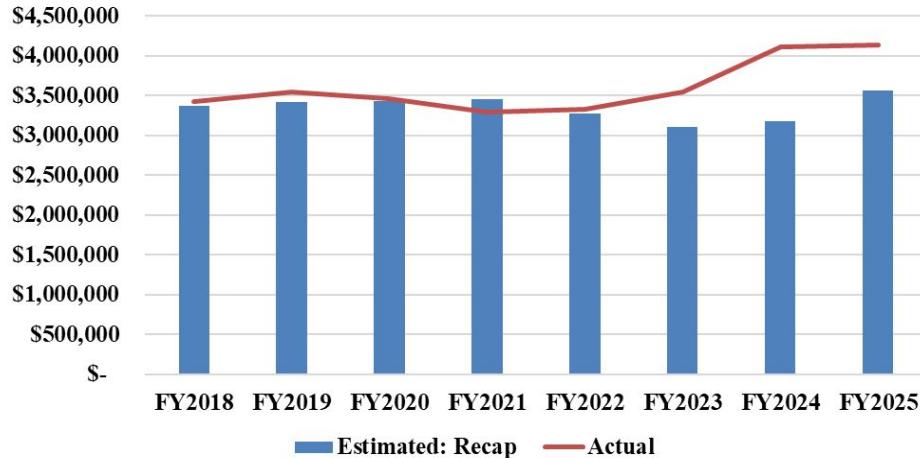
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FY25 Preliminary Results: Revenues

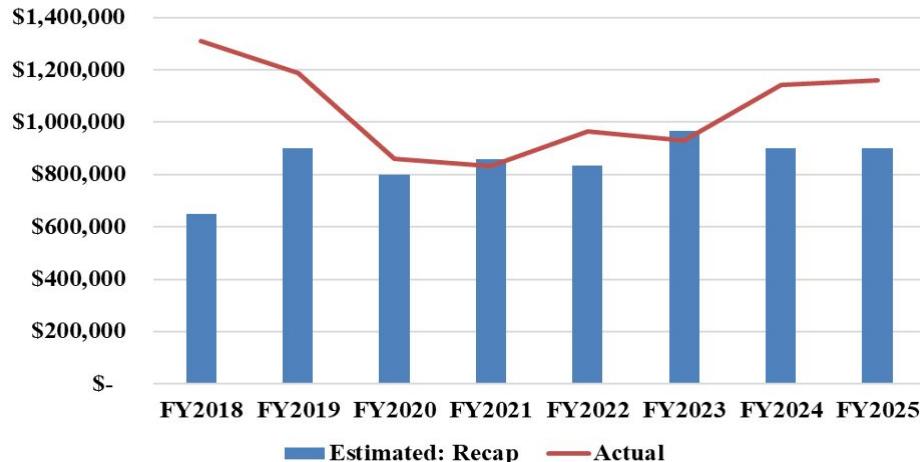
Net Investment Income: Estimates v. Actuals



Motor Vehicle Excise Tax: Estimates v. Actuals



Building Permit Revenues: Estimates v. Actuals



FY2025 results are unaudited and are subject to change.

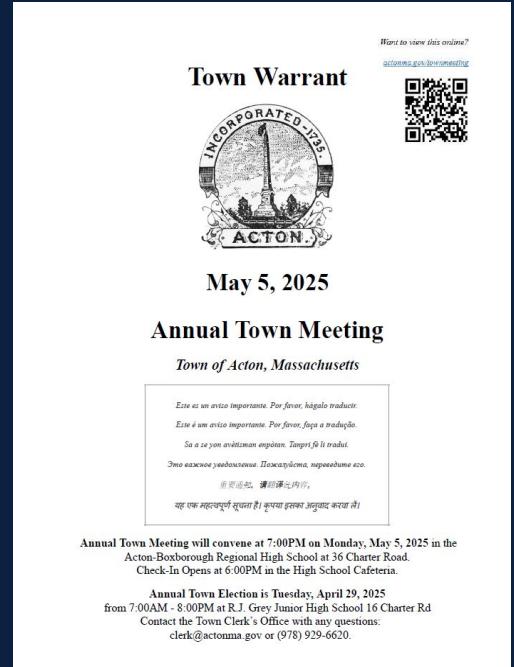
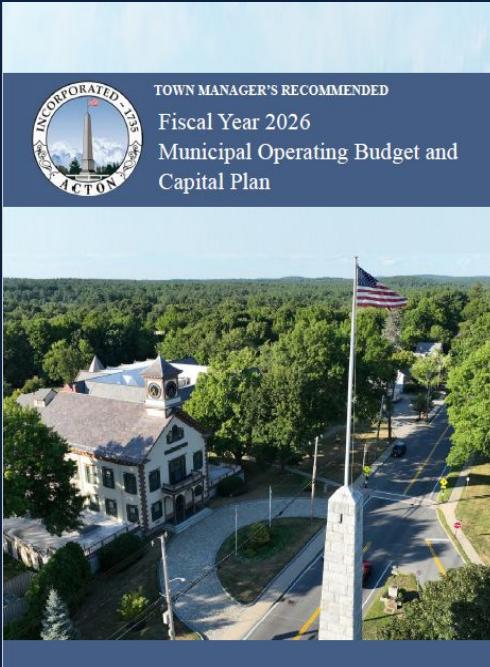
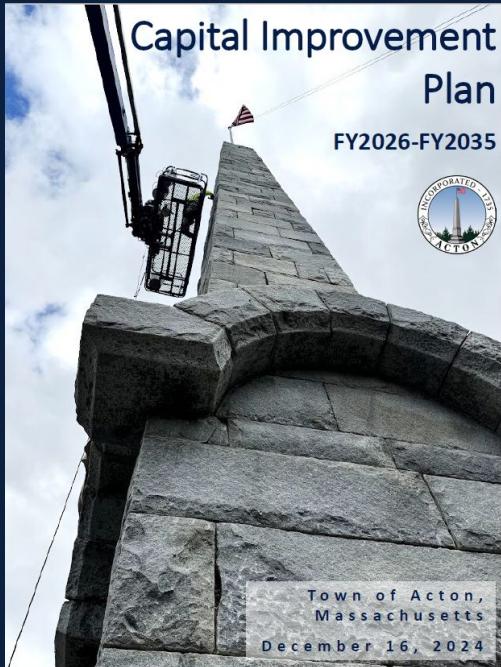
FY25 Preliminary Results: Expenses

| Category | Surplus | (Deficit) | Total |
|--------------------------|--------------------|----------------------|------------------|
| Salaries | \$1,122,455 | | \$1,122,455 |
| Purchased Services | | \$(740,987) | \$(740,987) |
| Supplies | | \$(596,792) | \$(596,792) |
| Insurance/Other Benefits | \$703,846 | | \$703,846 |
| Debt Service | \$274,600 | | \$274,600 |
| Total: | \$2,100,901 | \$(1,337,778) | \$763,123 |

Closed Purchase Orders from Prior Years: **\$178,000**

Total Estimated Expense Turnback: \$941,123

FY2026 Update



FY2026 Review– Town Meeting Warrant

| Municipal Budget Summary | FY25 Approved Budget | 11/18/24 FY26 Level Services Budget | % Change from FY25 | FY26 Recommended Budget | % Change from FY25 |
|-----------------------------------|----------------------|-------------------------------------|--------------------|-------------------------|--------------------|
| Municipal Operations (Article 4): | \$39,068,663 | \$41,380,227 | 5.92% | \$40,810,464 | 4.46% |
| Offsets: | -350,000 | -350,000 | 0.00% | -350,000 | 0.00% |
| Subsidies: | 540,000 | 556,200 | 3.00% | 556,200 | 3.00% |
| Capital Borrowing (Article 6): | 564,138 | 564,138 | 0.00% | 603,909 | 7.05% |
| Capital Free Cash (Article 5): | 1,025,000 | 1,025,000 | 0.00% | 785,000 | -23.41% |
| Total Capital: | 1,589,138 | 1,589,138 | 0.00% | 1,388,909 | -12.60% |
| Total Municipal Spending | 40,847,801 | 43,175,565 | 5.70% | 42,405,573 | 3.81% |

FY2026 Capital Projects

| | Project Title | Amount | Source |
|-----|---|-----------|---------------|
| A1. | Public Safety Facility Improvements | \$350,000 | Sale Proceeds |
| A2. | Acton Memorial Library Interior Improvements | \$350,000 | Sale Proceeds |
| A3. | Town Facility Roof Replacements and Town Hall Interior Improvements | \$300,000 | Sale Proceeds |
| B. | Police Department Cruiser Replacements | \$225,000 | Free Cash |
| C. | Fire Department Command Vehicle | \$100,000 | Free Cash |
| D. | Traffic Calming Measures | \$90,000 | Free Cash |
| E. | Fire Department Turnout Gear Replacements | \$75,000 | Free Cash |
| F. | Handheld Radio Replacement - Phase 1 | \$60,000 | Free Cash |
| G. | Town Facility Roof Replacements | \$90,000 | Free Cash |
| H. | South Acton Traffic Signal Replacement | \$50,000 | Free Cash |
| I. | Childcare and Transfer Station Subsidy | \$40,000 | Free Cash |
| J. | Fireworks for Community Celebrations (4th of July) | \$40,000 | Free Cash |
| K. | Vegetation Management Program | \$15,000 | Free Cash |



Appropriation of \$1M from the proceeds of the sale of 362-364 Main St property to the Acton Housing Authority towards the improvement of vital public facilities

FY2026 Capital Projects

| | Project Title | Amount | Source |
|----|--|-------------|---|
| A. | Town Hall HVAC Replacement Project | \$3,750,000 | Borrowing: General Fund /Energy Efficiency Fund |
| B. | Complete Streets and Sidewalks | \$1,900,000 | Borrowing: General Fund |
| C. | Replacement of 2005 Fire Engine | \$1,500,000 | Borrowing: General Fund |
| D. | Stormwater Program (Bridge/Culvert) | \$850,000 | Borrowing: General Fund |
| E | Public Safety Radio System Replacement Project Phase 2 | \$750,000 | Borrowing: General Fund |
| F. | Equalization Tank for Waste Water Treatment Plant | \$2,100,000 | Borrowing: Sewer Enterprise |

Town Hall HVAC Replacement Project borrowing authorization not approved by voters— remaining projects approved.

Article 7: Authorize Borrowing for Construction of New Public Works Facility at 14 Forest Road (*two-thirds majority vote*)

Amended motion to appropriate \$150,000 in free cash for continued design

FY2026 Review– Town Meeting Results

| Municipal Budget Summary | FY25 Approved Budget | 11/18/24 FY26 Level Services Budget | % Change from FY25 | FY26 Recommended Budget | FY2026 Approved Budget | % Change from FY25 |
|------------------------------------|----------------------|-------------------------------------|--------------------|-------------------------|------------------------|--------------------|
| Municipal Operations (Article 4): | \$39,068,663 | \$41,380,227 | 5.92% | \$40,810,464 | \$40,810,464 | 4.46% |
| Offsets: | -350,000 | -350,000 | 0.00% | -350,000 | -350,000 | 0.00% |
| Subsidies: | 540,000 | 556,200 | 3.00% | 556,200 | 556,200 | 3.00% |
| Capital Borrowing (Article 6): | 564,138 | 564,138 | 0.00% | 603,909 | 603,909 | 7.05% |
| Capital Free Cash (Article 5 & 7): | 1,025,000 | 1,025,000 | 0.00% | 785,000 | 935,000 | -8.78% |
| Total Capital: | 1,589,138 | 1,589,138 | 0.00% | 1,388,909 | 1,538,909 | -3.16% |
| Total Municipal Spending | 40,847,801 | 43,175,565 | 5.70% | 42,405,573 | 42,555,573 | 4.18% |

FY2027 Preview



Select Board Goals

Short-Term Goals

- Finalize design and secure funding to complete Town Hall HVAC and Emergency Power Replacement Project and related building accessibility improvements
- Advance Town Meeting participation/access/education improvements, including early communication of warrant items to the public
- Create a communications position to improve community engagement
- Bring DPW facility project to Town Meeting. Work with Finance Committee and other Town committees to move project forward
- Complete study and begin implementation of Fire/EMS deployment and staffing study, including a capital plan for fire station upgrades or replacement

Long-Term Goals

- Explore additional tax relief programs for low income taxpayers
- Start a yearly Porchfest Concert Series for West Acton
- Continue Main Street intersection and complete streets improvements, i.e. Hayward, plus Central, High, Maple, Nylander, Railroad, School
- Work with Volunteer Coordinating Committee to create a plan for the future of volunteer recruitment and onboarding that includes improved orientation and streamlined appointment process
- Advance efforts to establish a public art plan and initiatives that utilize the arts to improve outcomes for economic development and public health
- Approve the final Stormwater Infrastructure Plan and begin implementation
- Facilitate low-income Community Solar and research the potential of including this option as part of a lower tier in the Acton Power Choice program
- Research and develop a proactive strategy for gas line replacement, repair, and non-pipeline alternatives

FY2027 Preliminary Budget Challenges

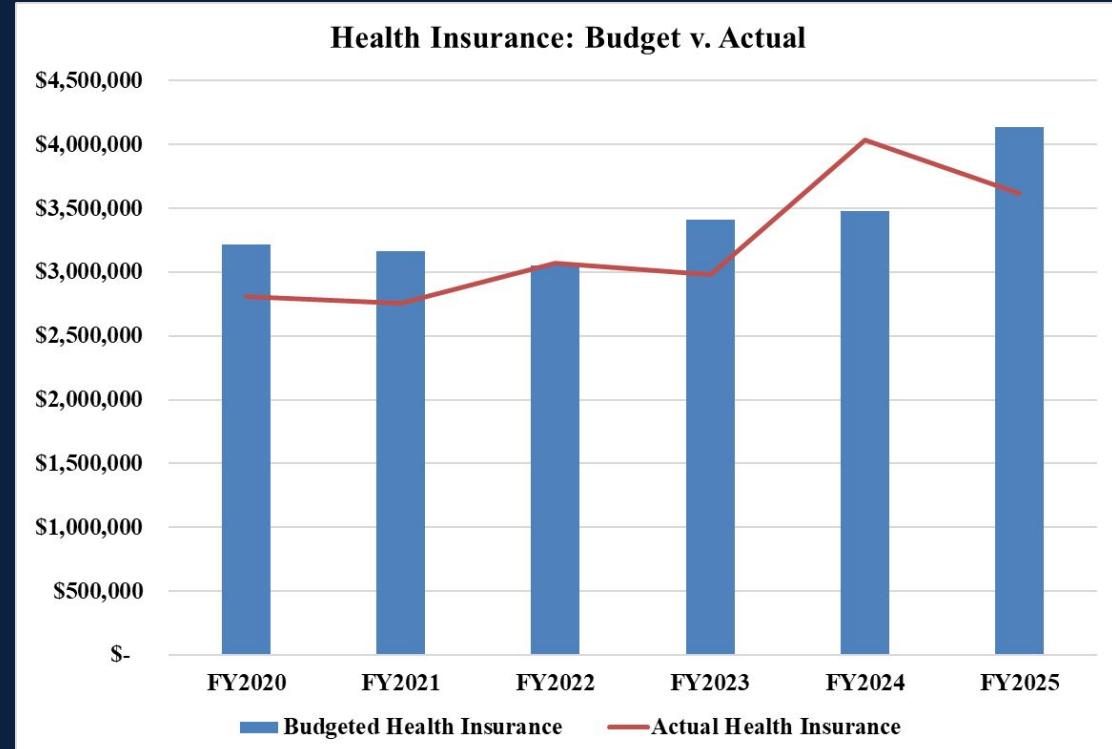
1. Health Insurance
2. Pension
3. Debt
4. School Assessments
5. Infrastructure Needs



FY2027 Preliminary Budget Challenges

1. Health Insurance

- Finance Director's FY2026 Health Insurance budget is 54% higher than it was in FY2022
- MIIA estimates another 15% premium increase in FY2027 which would amount to **\$705k**

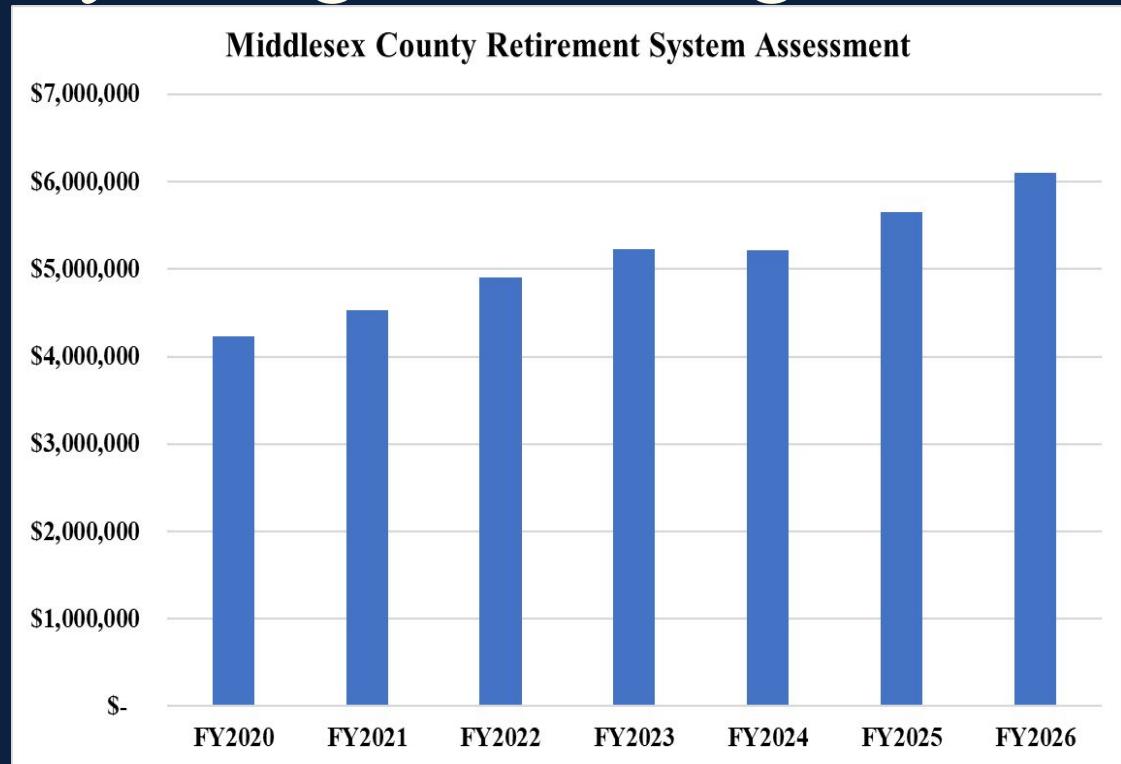


- Further analysis needed to determine available budget capacity in FY2027

FY2027 Preliminary Budget Challenges

2. Pension

- Average annual increase of 6.33% since FY2020
 - FY25: 8.41% increase
 - FY26: 7.81% increase
- A 6.33% increase would amount to **\$386k**

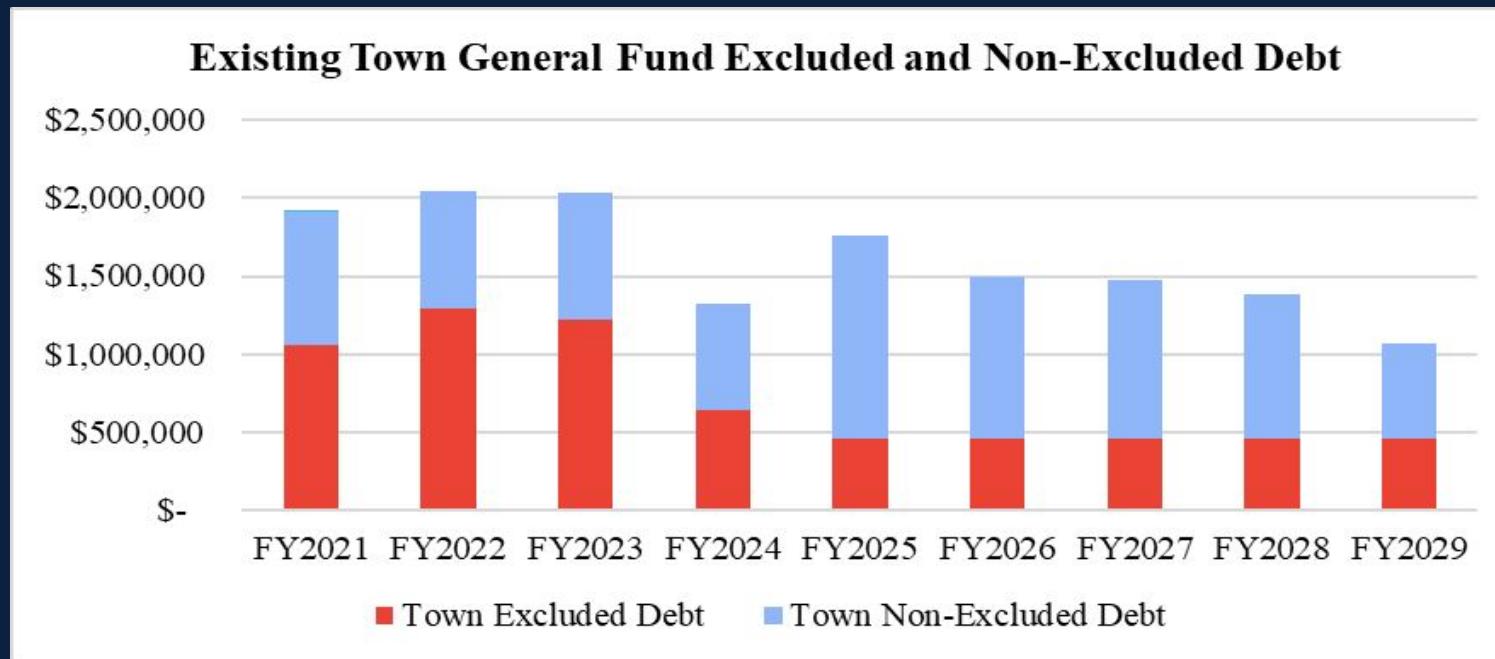


- As of 6/30/2024 valuation, Middlesex County Retirement System should be fully funded by June 30, 2036.

FY2027 Preliminary Budget Challenges

3. Debt

Graph below shows a summary of all of debt which is currently on the books, including sewer, general fund, and other funding sources, according to debt issuance



Graph shows Existing Borrowing as shown in the FY2026 Budget Book

FY2027 Preliminary Budget Challenges

3. Debt

- The debt service related to DPW Fueling Station, Complete Streets, and Stormwater Infrastructure Improvements projects approved at the 2024 Annual Town Meeting will impact the Finance Director budget in FY2027– **an increase of \$417k.**

FY2027 Preliminary Budget Challenges

3. Debt

Fall 2023

FY2025 CIP Requests submitted by Department Heads

May 2024

Projects brought before Annual Town Meeting for approval by voters. Free cash appropriated to cover borrowing costs and first year's debt service.

May 2025

Borrowing for Complete Streets, Stormwater Infrastructure, DPW Fueling Depot, and Wetherbee purchase (CPA funded)

FY2026

First debt year's service paid from funding appropriated at 2024 Annual Town Meeting

FY2027

Finance Director's Debt budget is adjusted to accommodate new debt service payments

FY2027 Preliminary Budget Challenges

4. School Assessments

- During last year's ALG process, School Committee members forecasted an annual ABRSD assessment increase of 5-6% for the foreseeable future. Since increases in available revenues are limited, this will have an impact on the Town's budget.

FY2027 Preliminary Budget Challenges

5. Infrastructure Needs

- The FY2026-FY2035 Capital Improvement Plan identified

\$111.738 million in needed investments in the community



FY27 Recommended Draft Budget Priorities

- OPEB appropriation:
 - Increase flexibility and update how OPEB Offset is appropriated so that it is separate from the municipal operating budget
- Focus on previously approved capital
 - Focus on existing capital appropriations and completing ongoing projects, rather than submitting new capital project requests
- Replenish Stabilization
 - Contribute funding to bolster the stabilization fund and increase the amount of funding available for future capital needs

FY27 Recommended Draft Guidance to Departments

- Continue to identify efficiencies through reorganizations
- Leverage External Funds
 - Continue to seek out and take advantage of alternative funding sources such as grants and earmarks
- Limit supply and service increases

FY2027-FY2036 Capital Improvement Plan instructions distributed to Department Heads on August 25th

FY2027 Operating Budget guidance to be distributed to Department Heads on August 29th

Budget Timeline

| | |
|------------|---|
| 8/25/2025 | FY2027 Budget Preview |
| 10/2025 | Tax Classification Hearing and Tax Rate Certification |
| 11/3/2025 | FY2027 Budget Update |
| 11/17/2025 | Presentation of FY2027- FY2036 Capital Improvement Plan and Preliminary Budget Estimates |
| 12/1/2025 | Select Board Budget Workshop |
| 1/5/2026 | Presentation of Town Manager FY2027 Recommended Budget (Budget Book published in December 2025) |
| 1/2026 | Joint Budget Workshops with Select Board and Finance Committee |
| 3/5/2026 | Deadline to Transmit Budget to the Finance Committee |