

# FY 2026 Preliminary Budget

FY 2026 Budget Development						
	FY 2025 Budgeted	FY 2026 Budgeted	% Change from FY 2025	FY 2026 Budgeted w. Override	% Change from FY 2025	Override Distribution \$
<b>Revenues</b>						
Tax Levy	\$145,556,985	\$149,951,999	3.02%	\$157,951,999	8.52%	\$8,000,000
State Aid	\$18,992,998	\$19,617,247	3.29%	\$19,617,245	3.29%	
Local Receipts	\$18,403,536	\$20,484,523	11.31%	\$20,484,523	8.16%	
Free Cash - Operational Use	\$4,737,709	\$6,500,000	37.20%	\$2,500,000	-47.23%	(\$4,000,000)
Other Available Funds	\$8,867,307	\$5,820,981	-34.35%	\$9,098,866	-30.63%	\$3,277,885
<b>Total Revenues</b>	<b>\$196,558,535</b>	<b>\$202,374,750</b>	<b>2.96%</b>	<b>\$209,652,633</b>	<b>4.87%</b>	<b>\$7,277,885</b>
<b>Expenses</b>						
School (Incl. School Bus Subsidy)	\$87,225,143	\$92,714,346	6.29%	\$95,491,904	9.48%	\$2,777,558
Town	\$47,374,362	\$46,829,298	-1.15%	\$47,740,782	0.77%	\$911,484
Shared Services	\$56,906,460	\$58,933,074	3.56%	\$59,206,737	4.04%	\$273,663
Below-the-line Items	\$4,529,558	\$3,898,032	-13.94%	\$7,175,917	58.42%	\$3,277,885
<b>Total Expenses</b>	<b>\$196,035,523</b>	<b>\$202,374,750</b>	<b>3.23%</b>	<b>\$209,615,340</b>	<b>6.93%</b>	<b>\$7,240,590</b>
<b>Bottom Line</b>	<b>\$523,012</b>	<b>\$0</b>		<b>\$37,293</b>		<b>\$37,293</b>

## Override Tax Impact

**\$12,163,959,770**

2025 Taxable Assessed Value

Tax Rate Increase:

**FY 2026: \$0.66**

(per \$1,000 value)

Type	Median Value	Tax Increase
Residential Condo	\$372,000	\$245
Two-family	\$762,350	\$503
Single- Family	\$780,400	\$515
Apartment - 4-8 Units	\$911,450	\$601

# Free Cash Spending Plan

## Key Takeaways:



OPEB Liability – Maintain  
contribution to Retirees  
Health Care costs



Stabilization Funds – Meeting  
Minimal Targets



Capital Investments – Direct  
funding for Capital Projects




Maintain Reserves

Revenue	FY 2026 Preliminary	FY 2026 Budget w. Override
Free Cash	\$7,838,033	\$7,838,033
<b>Total Rev</b>	<b>\$7,838,033</b>	<b>\$7,838,033</b>
Expenses		
Fiscal 2026 Omnibus Budget	\$6,500,000	\$2,500,000
OPEB Trust Fund	\$250,000	\$295,560
Operational Stabilization Fund	\$0	\$188,110
General Stabilization Fund	\$0	\$538,033
Capital Stabilization Fund	\$400,000	\$1,706,182
Capital Improvement Projects	\$250,000	\$1,450,000
Free Cash Reserve	\$168,033	\$890,148
Overlay	\$270,000	\$270,000
<b>Total Exp</b>	<b>\$7,838,033</b>	<b>\$7,838,033</b>
<b>Total Excess</b>	<b>\$0</b>	<b>\$0</b>

Affected Department / Category	Additional Cut	\$ Budget Restorations w. Override	Affected FTEs	FY 2026 Budget w. Override	% from FY 2025
Natick Public Schools (incl. school bus subsidy)	(\$2,777,558)	\$2,777,558	41.00	\$95,491,904	9.48%
Morse Institute Library	(\$9,585)	\$9,585	0.50	\$2,748,700	1.94%
Bacon Free Library	(\$1,756)	\$1,756	-	\$249,636	3.07%
Police	(\$12,150)	\$12,150	-	\$8,837,132	0.53%
Fire	(\$257,310)	\$257,310	2.50	\$11,248,253	0.99%
Public Works	(\$151,433)	\$151,433	1.50	\$11,062,773	-1.61%
Community Services	(\$34,944)	\$34,944	-	\$2,228,974	-1.00%
Board of Health	(\$36,000)	\$36,000	0.50	\$732,680	2.24%
Select Board	(\$34,006)	\$34,006	-	\$2,321,186	25.61%
Finance	(\$32,500)	\$32,500	0.50	\$2,080,937	0.84%
Information Technology	(\$193,200)	\$193,200	-	\$2,075,460	-0.10%
Town Clerk & BOR	(\$49,665)	\$49,665	0.50	\$533,946	-15.15%
Community Economic Development	(\$6,785)	\$6,785	-	\$1,160,322	-4.43%
Committees & Commissions	(\$92,152)	\$92,152	-	\$104,327	0.00%
Facilities Management	(\$46,455)	\$46,455	1.00	\$4,734,463	0.43%
Employee Fringe Expenses	(\$227,208)	\$227,208	-	\$23,815,432	7.83%
<b>Total</b>	<b>(\$3,962,707)</b>	<b>\$3,962,707</b>	<b>48.00</b>		

# Override Impact on the budget


## Restore Budget Cuts




48 FTEs  
(School – 41; Town – 7)




Benefits & Stipends of Vacancies



Costs shifted to alternative financing sources



Costs related to Compliance Requirements



Town operations, IT Security, Programs etc..