TOWN OF GROTON FISCAL YEAR 2026 OUTLOOK

PRELIMINARY REVIEW FOR DISCUSSION PURPOSES



Fiscal Year 2026
Anticipated Issues/Challenges



Pension Budget – Will Be Level Funded In FY 2026



Health Insurance – MIIA has recommended the Town set aside an additional 7%, or $151,281 for FY 2026



Union Negotiations – All Six Contracts are Up for Renewal – Inflation has averaged 5% since 2021



Closure of Nashoba Valley Medical Center's Impact on Fire Department requiring the need for additional personnel



Preliminary Anticipated Operational Assessment from Groton Dunstable Regional School District is estimated to rise by 6.84% or $1,847,882

FISCAL YEAR 2026

Groton's Anticipated New Revenues in FY 2026

Tax Levy Increase	$1,186,562
Estimated Receipts Increase	$ 53,876
State Aid Increase	$ 19,076
Total New Revenues	$1,259,514

Potential Distribution of New Revenues



60% OF NEW REVENUES FOR GDRSD ASSESSMENT - $755,708



40% OF NEW REVENUES FOR MUNICIPAL BUDGET - $503,807

FY 2026 Preliminary Municipal Budget Need

Currently, (without considering any changes to the current staffing level of the Groton Fire Department), the Municipal Budget is expected to increase by $443,460, or 2.6% over the FY 2025 Municipal Appropriation (not including debt service).

This would leave $816,055 for any increase in the Groton Dunstable Regional School District Operating Assessment, an increase of 3.0% over the Fiscal Year 2025 Assessment

Three Year Budget Projection

(Does not include Excluded Debt)

General Fund Revenues	FY 2025	FY 2026	FY 2027	FY 2028
Property Tax Levy	38,096,508	39,283,071	40,505,152	41,763,785
State Aid Cherry Sheet	1,152,082	1,171,158	1,190,616	1,210,463
Estimated Local Receipts	5,652,133	5,706,009	5,760,963	5,817,015
Available Funds/Other Financing Sources	2,524,927	2,290,592	2,290,592	2,290,592
Enterprise (for Indirects)	315,664	321,977	328,417	334,985
Total General Fund Revenues	47,741,314	48,772,807	50,075,740	51,416,840
General Fund Expenditures				
General Government	2,574,970	2,532,769	2,588,608	2,645,928
Land Use	520,749	533,741	547,096	560,826
Public Safety	4,683,315	4,640,362	4,768,877	4,901,140
Regional Schools	28,354,404	30,233,848	32,772,827	35,444,162
Department of Public Works	2,389,516	2,440,508	2,492,824	2,546,499
Library and Citizen Services	2,288,956	2,248,620	2,305,482	2,363,943
Employee Benefits	5,199,336	5,319,481	5,659,196	6,021,523
Debt Service	540,099	427,595	427,595	427,595
Total Town Budget	46,551,345	48,376,923	51,562,505	54,911,616
State Assessments	101,926	101,926	101,926	101,926
Other Amounts Raised	1,044,342	1,044,822	1,044,822	1,044,822
Total General Fund Expenditures	47,697,613	49,523,671	52,709,253	56,058,364
General Fund Surplus/(Shortfall)	**43,701**	**(750,864)**	**(2,633,513)**	**(4,641,524)**