

FORECAST UPDATE

March 23 , 2021

Forecast Assumptions

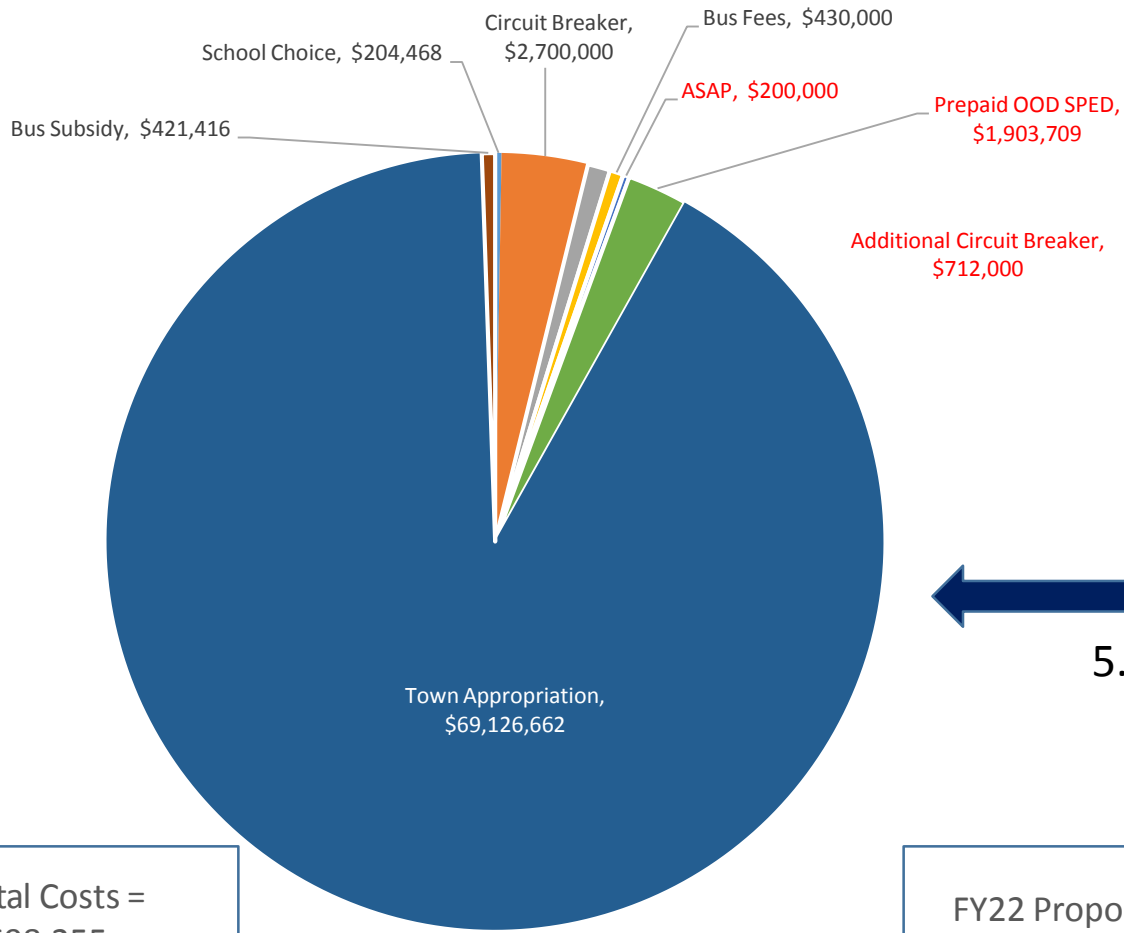
- Revenue return to FY 2019 levels by the end of FY 2022
- Free cash – used at 5 year average - \$6,557,064 (one time funding)
- New growth – used at 5 year average - \$1,673,700 (included in Tax Levy)
- Overlay Surplus - \$500,000 per year (one time funding)
- Town Department budgets increased at 1.75% per year
- Stabilization rebuild
- Level services

What is a Structural Deficit

- “If government spending exceeds tax revenue even when the economy is strong and one time funds are used to resolve the budget deficit, then the deficit is deemed to be “structural.”
- One Time Funding – Free cash, Overlay Surplus, Sale of assets, Grants,

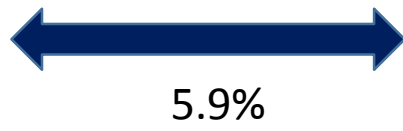
DEFICIT OVER TIME



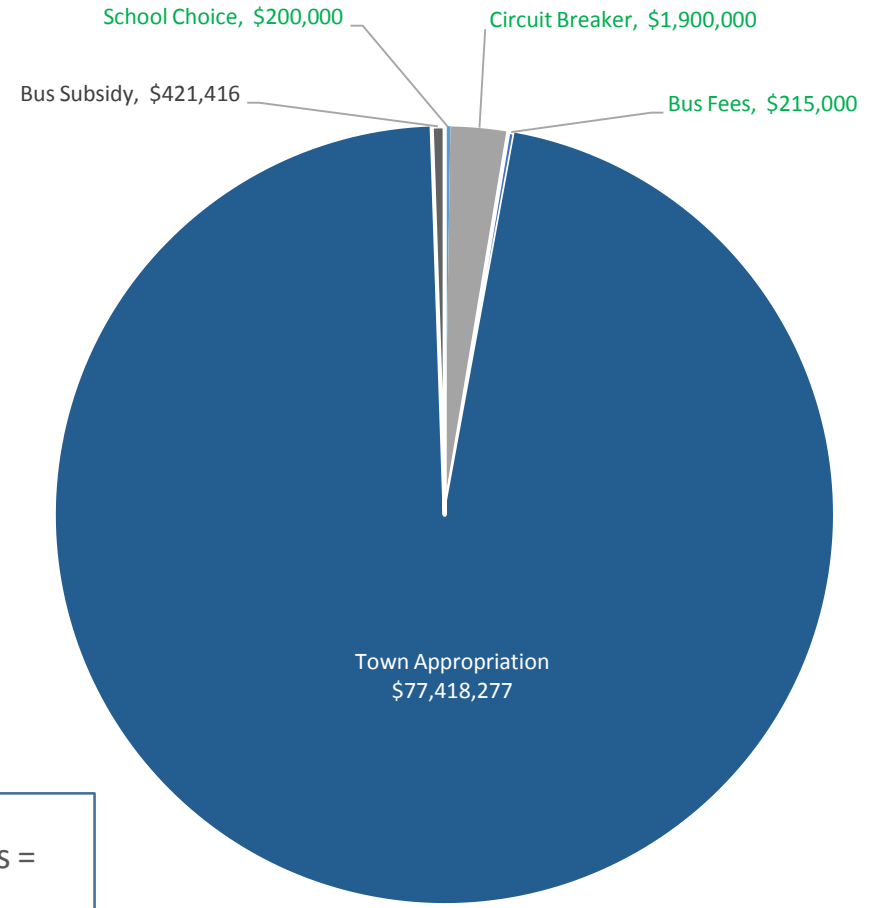


FY21 Total Costs =
\$75,698,255

Red = one-time funds



FY22 Proposed Total Costs =
\$80,154,643



Green – reduced contribution

FY20-FY21 Natick Public Schools Funds Contributed to Total Operating Costs Outside of General Fund Town Appropriation



Budget Cuts and Deferred Costs to Balance the Budget

FY21 Personnel Cuts

Eliminate most new district positions, KMS compliance/new team maintained thru transfers	\$1,198,244
Staff reductions due to retirements, resignations/non-renewals	
7 unfilled positions originally cut from FY20 budget	
5.6 positions transferred for SPED	
2 positions (1.0 ELL, 1.0 KMS Para) still to be filled (from staffing needed to run FY21 on a normal year, this was a net cut of 14.6 positions)	

FY21 Expense Cuts

Technology Purchases	\$175,000
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FY22 Costs Deferred to a Future Fiscal Year

District Wide	Instructional Staff/Tech/Library/Tech Staff (since 2018)	5.00	\$318,200	
NHS	Theater tech teacher and auditorium management district wide (since 2013)	1.00	\$ 63,640	
NHS	Music orchestra arts audit (since 2013)	1.00	\$ 63,640	\$637,505
District Wide	BCBA Elementary	1.00	\$ 63,640	
District Wide	Paraprofessionals	3.00	\$ 77,031	
NHS	2.0 Workshop tutors	2.00	\$ 51,354	

FORECAST - #1

	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Tax Levy	\$130,094,415	\$134,495,937	\$139,007,498	\$143,631,847	\$148,371,805	\$153,230,263
State Aid	\$15,146,380	\$15,737,089	\$16,350,835	\$16,988,518	\$17,651,070	\$18,339,462
Local Receipts, One Time Revenue and Other Availables	\$22,774,978	\$22,502,354	\$22,929,722	\$23,369,318	\$23,821,496	\$24,286,622
Total GF Revenues	\$168,015,773	\$172,735,380	\$178,288,056	\$183,989,683	\$189,844,372	\$195,856,347
Natick Public Schools	\$74,977,311	\$77,601,517	\$80,317,570	\$83,128,685	\$86,038,189	\$89,049,526
Libraries (Morse, Bacon), Keefe Tech	\$3,842,310	\$3,944,888	\$4,050,289	\$4,158,594	\$4,269,884	\$4,384,243
Town (Public Safety, DPW, Admin, H&H, Committees)	\$36,925,448	\$37,600,957	\$38,238,600	\$38,891,310	\$39,559,506	\$40,243,618
Shared Expense	\$48,115,533	\$50,036,471	\$51,794,266	\$53,376,069	\$55,087,487	\$57,134,630
GF Operating Expenses	\$163,860,602	\$169,183,833	\$174,400,725	\$179,554,658	\$184,955,066	\$190,812,017
Other Expense (Capital, Assessment, Overlay etc)	\$4,154,788	\$7,053,440	\$7,077,521	\$7,102,041	\$7,127,011	\$7,152,441
Total GF Expenses	\$168,015,390	\$176,237,273	\$181,478,246	\$186,656,699	\$192,082,077	\$197,964,457
Net	\$383	-\$3,501,893	-\$3,190,190	-\$2,667,016	-\$2,237,705	-\$2,108,111

FORECAST - #1 5M OVERRIDE

	FY 2022 Budget	FY2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Tax Levy Change with adding \$1M each year	\$130,094,415	\$135,824,208	\$141,659,813	\$147,641,308	\$153,772,341	\$160,056,650
Total GF Revenues	\$168,015,773	\$174,063,651	\$180,940,371	\$187,999,144	\$195,244,907	\$202,682,733
Total GF Expenses	\$168,015,390	\$176,237,273	\$181,478,246	\$186,656,699	\$192,082,077	\$197,964,457
Net	\$383	-\$2,173,622	-\$537,875	\$1,342,445	\$3,162,830	\$4,718,276



	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Tax Levy Change with adding \$5M on FY2023	\$130,094,415	\$139,824,208	\$144,759,813	\$149,818,809	\$155,004,279	\$160,319,386
Total GF Revenues	\$168,015,773	\$178,063,651	\$184,040,370	\$190,176,645	\$196,476,845	\$202,945,470
Total GF Expenses	\$168,015,390	\$176,237,273	\$181,478,246	\$186,656,699	\$192,082,077	\$197,964,457
Net	\$383	\$1,826,378	\$2,562,124	\$3,519,946	\$4,394,768	\$4,981,013

5M One Time in FY2023

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Prior Levy Limit	111,851,327	116,908,229	120,930,935	130,624,208	135,559,813	140,618,809	145,804,279
2.50%	2,796,283	2,922,706	3,023,273	3,265,605	3,388,995	3,515,470	3,645,107
New Growth	2,260,619	1,100,000	1,670,000	1,670,000	1,670,000	1,670,000	1,670,000
Override	0	0	5,000,000	0	0	0	0
Current levy limit	116,908,229	120,930,935	130,624,208	135,559,813	140,618,809	145,804,279	151,119,386
Debt Exclusion	9,262,380	9,163,480	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000
Tax Levy	126,170,609	130,094,415	139,824,208	144,759,813	149,818,809	155,004,279	160,319,386
EXCESS		45,000	45,000	45,000	45,000	45,000	45,000
	126,123,698	130,049,415	139,779,208	144,714,813	149,773,809	154,959,279	160,274,386

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
ASF	639,148	639,148	639,148	639,148	639,148	639,148	639,148
Tax Rate	13.61	14.03	15.08	15.62	16.16	16.72	17.30
Tax	8,698.80	8,969.56	9,640.63	9,981.04	10,329.96	10,687.61	11,054.19
		271	671	340	349	358	367

1M Each Year

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Prior Levy Limit	111,851,327	116,908,229	120,930,935	126,624,208	132,459,813	138,441,309	144,572,342
2.50%	2,796,283	2,922,706	3,023,273	3,165,605	3,311,495	3,461,033	3,614,309
New Growth	2,260,619	1,100,000	1,670,000	1,670,000	1,670,000	1,670,000	1,670,000
Override	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Current levy limit	116,908,229	120,930,935	126,624,208	132,459,813	138,441,309	144,572,342	150,856,650
Debt Exclusion	9,262,380	9,163,480	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000
Tax Levy	126,170,609	130,094,415	135,824,208	141,659,813	147,641,309	153,772,342	160,056,650
EXCESS		45,000	45,000	45,000	45,000	45,000	45,000
	126,123,698	130,049,415	135,779,208	141,614,813	147,596,309	153,727,342	160,011,650

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
ASF	639,148	639,148	639,148	639,148	639,148	639,148	639,148
Tax Rate	13.61	14.03	14.65	15.28	15.93	16.59	17.27
Tax	8,698.80	8,969.56	9,364.75	9,767.23	10,179.78	10,602.64	11,036.07
		271	395	402	413	423	433

FORECAST - #2

	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Tax Levy	\$130,094,415	\$134,495,937	\$139,007,498	\$143,631,847	\$148,371,805	\$153,230,263
State Aid	\$15,146,380	\$15,737,089	\$16,350,835	\$16,988,518	\$17,651,070	\$18,339,462
Local Receipts, One Time Revenue and Other Availables	\$22,774,978	\$22,502,354	\$22,929,722	\$23,369,318	\$23,821,496	\$24,286,622
Total GF Revenues	\$168,015,773	\$172,735,380	\$178,288,056	\$183,989,683	\$189,844,372	\$195,856,347
Natick Public Schools	\$74,977,311	\$81,650,137	\$85,357,404	\$89,038,229	\$93,935,332	\$99,101,775
Libraries (Morse, Bacon), Keefe Tech	\$3,842,310	\$3,944,888	\$4,050,289	\$4,158,594	\$4,269,884	\$4,384,243
Town (Public Safety, DPW, Admin, H&H, Committees)	\$36,925,448	\$37,600,957	\$38,238,600	\$38,891,310	\$39,559,506	\$40,243,618
Shared Expense	\$48,115,533	\$50,036,471	\$51,794,266	\$53,376,069	\$55,087,487	\$57,134,630
GF Operating Expenses	\$163,860,602	\$173,232,453	\$179,440,559	\$185,464,202	\$192,852,209	\$200,864,266
Other Expense (Capital, Assessment, Overlay etc)	\$4,154,788	\$7,053,440	\$7,077,521	\$7,102,041	\$7,127,011	\$7,152,441
Total GF Expenses	\$168,015,390	\$180,285,893	\$186,518,080	\$192,566,243	\$199,979,220	\$208,016,707
Net	\$383	-\$7,550,513	-\$8,230,025	-\$8,576,560	-\$10,134,848	-\$12,160,360

FORECAST #2 10M OVERRIDE

	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Tax Levy Change with adding \$2M each year	\$130,094,415	\$136,824,208	\$143,684,813	\$150,716,933	\$157,924,856	\$165,312,977
Total GF Revenues	\$168,015,773	\$175,063,651	\$182,965,370	\$191,074,769	\$199,397,422	\$207,939,061
Total GF Expenses	\$168,015,390	\$180,285,893	\$186,518,080	\$192,566,243	\$199,979,220	\$208,016,707
Net	\$383	(\$5,222,242)	(\$3,552,710)	(\$1,491,474)	(\$581,798)	(\$77,646)

	FY 2022 Budget	FY 2023 Forecast	FY 2024 Forecast	FY 2025 Forecast	FY 2026 Forecast	FY 2027 Forecast
Tax Levy Change with adding \$10M in FY2023	\$130,094,415	\$144,824,208	\$149,884,813	\$155,071,934	\$160,388,732	\$165,838,450
Total GF Revenues	\$168,015,773	\$183,063,651	\$189,165,370	\$195,429,770	\$201,861,298	\$208,464,534
Total GF Expenses	\$168,015,390	\$180,285,893	\$186,518,080	\$192,566,243	\$199,979,220	\$208,016,707
Net	\$383	\$2,777,758	\$2,647,290	\$2,863,527	\$1,882,078	\$447,827

10 M One Time in FY2023

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Prior Levy Limit	111,851,327	116,908,229	120,930,935	135,624,208	140,559,813	145,618,808	150,804,278
2.50%	2,796,283	2,922,706	3,023,273	3,265,605	3,388,995	3,515,470	3,645,107
New Growth	2,260,619	1,100,000	1,670,000	1,670,000	1,670,000	1,670,000	1,670,000
Override	0	0	10,000,000	0	0	0	0
Current levy limit	116,908,229	120,930,935	135,624,208	140,559,813	145,618,808	150,804,278	156,119,385
Debt Exclusion	9,262,380	9,163,480	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000
Tax Levy	126,170,609	130,094,415	144,824,208	149,884,813	155,071,934	160,388,732	165,838,450
EXCESS		45,000	45,000	45,000	45,000	45,000	45,000
Actual	126,123,698	130,049,415	144,779,208	149,839,813	155,026,934	160,343,732	165,793,450

2M Each Year

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
Prior Levy Limit	111,851,327	116,908,229	120,930,935	127,624,208	134,559,813	141,618,808	148,804,278
2.50%	2,796,283	2,922,706	3,023,273	3,265,605	3,388,995	3,515,470	3,645,107
New Growth	2,260,619	1,100,000	1,670,000	1,670,000	1,670,000	1,670,000	1,670,000
Override	0	0	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Current levy limit	116,908,229	120,930,935	127,624,208	134,484,813	141,516,934	148,724,857	156,112,934
Debt Exclusion	9,262,380	9,163,480	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000
Tax Levy	126,170,609	130,094,415	136,824,208	143,684,813	150,716,934	157,924,857	165,312,934
EXCESS		45,000	45,000	45,000	45,000	45,000	45,000
Actual	126,123,698	130,049,415	136,779,208	143,639,814	150,671,934	157,879,857	165,267,934

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
ASF	639,148	639,148	639,148	639,148	639,148	639,148	639,148
Tax Rate	13.61	14.03	15.62	16.16	16.70	17.26	17.83
Tax	8,698.80	8,969.56	9,985.48	10,325.89	10,674.81	11,032.46	11,399.04
		271	1,016	340	349	358	367

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
ASF	639,148	639,148	639,148	639,148	639,148	639,148	639,148
Tax Rate	13.61	14.03	14.76	15.50	16.26	17.04	17.83
Tax	8,698.80	8,969.56	9,433.72	9,906.90	10,391.91	10,889.04	11,399.04
		271	464	473	485	497	

Tax Impact

	2021 Values	2022	2023 \$5M Override	2023 \$1M Override	2023 \$10 M Override	2023 \$2 M Override
Assessed Value	\$9,266,987,430	\$9,266,987,430	\$9,266,987,430	\$9,266,987,430	\$9,266,987,430	\$9,266,987,430
Tax Levy	\$126,123,698	\$130,049,415	\$139,779,208	\$135,779,208	\$144,779,208	\$136,779,208
Tax Rate \$\$ per 1,000	13.61	14.03	15.08	14.65	15.62	14.76
Property Value (ASF)	\$639,148.00	\$639,148.00	\$639,148.00	\$639,148.00	\$639,148.00	\$639,148.00
Tax	\$8,698.80	\$8,969.56	\$9,640.63	\$9,363.52	\$9,985.48	\$9,433.72
Annual Tax Impact		\$270.76	\$671.07	\$393.96	\$1,015.92	\$464.16
Total Cost over 5 Years			\$2,084.63	\$2,066.51		
Total Cost Over 5 Years					\$2,465.28	\$2,429.04

Division of Local Services – Levy Capacity and Override capacity

Municipality	Fiscal Year	Levy Limit	Total Tax Levy	Excess as a % of Maximum Levy	Levy Ceiling	Override Capacity	Override Capacity as a % of Levy Ceiling	Total Assessed Value	Tax Levy as % of Assessed Value
Framingham	2021	226,935,776	195,618,399	13.8	279,490,151	52,976,449	19	11,179,606,052	1.75
Natick	2021	126,170,609	126,123,699	0.04	231,674,686	114,766,457	50	9,266,987,430	1.36
Needham	2021	164,196,568	162,438,801	1.07	276,143,262	125,603,787	45	11,045,730,479	1.47
Newton	2021	376,815,528	376,720,819	0.03	804,829,020	431,153,258	54	32,193,160,800	1.17
Wayland	2021	79,628,236	74,069,812	6.98	99,986,248	24,437,630	24	3,999,449,900	1.85
Wellesley	2021	149,522,473	149,412,383	0.07	317,898,688	178,786,175	56	12,715,947,500	1.18

Municipality	Fiscal Year	Levy Limit	Total Tax Levy	Excess as a % of Maximum Levy	Levy Ceiling	Override Capacity	Override Capacity as a % of Levy Ceiling	Total Assessed Value	Tax Levy as % of Assessed Value
Natick	2017	103,992,635	103,922,288	0.07	192,591,342	93,089,745	48	7,703,653,670	1.35
Natick	2018	107,394,818	107,388,479	0.01	205,725,056	102,564,075	50	8,229,002,220	1.31
Natick	2019	111,530,486	111,381,876	0.13	219,083,154	111,797,963	51	8,763,326,170	1.27
Natick	2020	121,635,689	121,562,585	0.06	223,296,447	111,445,120	50	8,931,857,860	1.36
Natick	2021	126,170,609	126,123,699	0.04	231,674,686	114,766,457	50	9,266,987,430	1.36

Stabilization Fund Rebuild Plan

