Message Sent to Select Board, School Committee, Warrant Committee
from Steve Callahan, Warrant Committee Chair

From: **Stephen Callahan** <callahanstephend@gmail.com>
Date: Wed, Oct 29, 2025 at 11:54 AM
Subject: FY 2027 Omnibus Operating Budget Preliminary Forecast, Request for Joint Meeting and Feedback on Town Goals

Dear All,

FY 2027 Omnibus Operating Budget Overview

This message serves to inform the School Committee and Select Board about the preliminary forecast regarding revenue and shared costs for the FY 2027 omnibus operating budget. Current projections indicate that department budgets will **only see a modest increase of 1% in FY 2027** (forecasts attached). The primary factor constraining budget growth is a **substantial 19% rise in health insurance costs**, a trend expected to persist over the next two to three years.

During the recent Warrant Committee meeting, members discussed these financial projections and voiced concerns about the limited options available for the FY 2027 budget. While the committee will be undertaking due diligence on this forecast in the coming month, we do not expect significant changes to the forecast. The committee concluded that the minimal increase in department budgets will likely necessitate cost reductions across departments. Given these challenges, the committee is requesting a joint meeting with the School Committee, Select Board, and Warrant Committee to collaboratively develop a plan and explore options for the FY 2027 operating budget. This meeting aims to facilitate open dialogue and ensure all parties are involved in addressing the financial constraints ahead.

Anticipating a challenging budget year leading up to Town Meeting, the committee recognizes that difficult conversations will be unavoidable. Collaborative discussion is considered essential for progressing toward a workable solution. Both the School Committee and Select Board have previously supported such joint meetings. Coordination for this meeting is underway, with Kristine Trierweiler tasked with arranging the date and location. **A tentative date of December 2nd** has been proposed for this important discussion.

Town Goals: Feedback and Recommendations

The Warrant Committee reviewed the Select Board's draft Town Goals and commended the quality of the work. Two key recommendations were proposed for inclusion in the draft:

1. **Health Insurance Cost Strategy**: The cost of health insurance for the town is projected to increase by 36% from FY 2025 to FY 2027. The aggregate expenses associated with health insurance and pension plans for Medfield now significantly exceed the total amount of state aid in the operating budget forecast. In Medfield, the total annual cost for a family health insurance plan is expected to exceed $40,000, with projected increases of 15% to 19% over the next two to three years. The committee recommends that the Town develop a comprehensive strategy, including an actionable item focused on evaluating all available options to restrain health insurance costs. Furthermore, the Town should communicate these plans effectively to both residents and employees.

2. **Comprehensive Communication Plan for Capital Projects**: Under goal 2, there is an action item supporting the PPBC and Facilities Department in maintaining and updating a 20-year capital building maintenance plan and determining next steps for the new 20-Year Capital Building Maintenance and Construction Plan. The committee suggests establishing a robust communication plan that clearly explains priority projects, outlines their timelines, and estimates the potential impact on property taxes for the average homeowner. It was noted that most residents are currently unaware of the extent of the Town's capital requirements.

Thank you for your service and all you do for the Town of Medfield

Best,
Stephen Callahan
Chair, Warrant Committee