

FY2025 Highlights



The Town of Arlington officially celebrated the completion of the new **Arlington High School (AHS)** in October 2025 (pictured left). The new 408,000 square foot state-of-the-art facility serves approximately 1,700 students and will serve as a catalyst for generations of learners. It is the home of Menotomy Preschool and Arlington Community Education. It is also a gathering place where the community can attend performances and cultural events in the new auditorium and theater, and participate in sporting events at the new athletic fields and gymnasium.

The project represents not only years of planning, collaboration, and construction, but the shared hopes and dreams of this community. From initial discussions and designs a decade ago to the 2019 debt exclusion vote and through five years of construction, AHS truly embodies what it means to prepare students for a rapidly changing world in a way that brings people together.



The renovation and expansion of the **Town Yard & Municipal Services Buildings** (pictured right) were substantially completed in the summer of 2024. The project received three engineering awards from two different organizations. The American Council of Engineering Companies (ACEC), state chapter granted a Silver 2025 Engineering Excellence Award. The ACEC's National chapter granted a Recognition Award. The (APWA) bestowed the project its Public Works Projects of the Year Historical Restoration/Preservation (\$25 - \$75 million category). The community, Town staff, and project partners celebrated the recognitions and building opening in May of 2025.

American Rescue Plan Act (ARPA) in Arlington

Municipalities across the nation received a significant influx of federal funds via the American Rescue Plan Act (ARPA) to offset the negative health and economic impacts caused by the COVID-19 pandemic, which includes public health, economic recovery, and infrastructure improvements among other eligible expenditures. Arlington received \$35M in ARPA funds which was obligated by December 2025. Most notably, the Town applied the maximum allowable amount of funding in the Revenue Replacement category, programming \$5M in FY2023 and another \$5M in FY2024. Doing so effectively delayed the timing of and lowered the amount of the last Proposition 2 ½ Operating Override vote.



In FY2025, \$3 million was obligated toward the creation of affordable housing via the Affordable Housing Trust Fund Board of Trustees' Acquisition, Creation, and Conversion ("ACC") Program. This program resulted in the creation of 11 new deed-restricted affordable housing units at various properties in Town. Further, \$2.35M supported the Housing Corporation of Arlington's recent acquisition of 840 and 846 Mass Ave, and 17 Newman Way. This project is ultimately expected to result in 92 new units of deed-restricted affordable housing at a site that currently has no deed-restricted affordable housing.

Receive timely news and notices from Town Hall via email with **Town of Arlington Notices** or via phone/text with **Arlington Alerts**. Notices include public health and public works alerts, election information, special Town-related events, and when the Town Manager's Annual Budget & Financial Plan is online. Subscribe today at: arlingtonma.gov/subscribe



About the Town of Arlington

The Town of Arlington is home to approximately 46,000 residents. Arlington is a largely built-out community that covers 5.5 square miles or 3,517.5 acres, of which 286.2 acres are covered by water, 158.27 acres are parkland, 59 acres are cemeteries, and 52.25 acres are under the control of the Mass Department of Conservation and Recreation (DCR).

The Town is governed by the "Town Manager Act of the Town of Arlington, Massachusetts," by which an elected, five-member Select Board appoints a professional manager to administer the daily operations of the Town.

The Town's legislative body is a representative Town Meeting, which consists of 252 elected members elected from their home precincts.

The Town Manager is the chief executive officer of the Town, managing the day-to-day business of Town departments. These departments include: Public Works, Police, Fire, Libraries, Legal, Planning and Community Development, Human Resources, Treasurer/Collector, Comptroller, Assessors, Information Technology, Facilities, Inspectional Services, Health and Human Services, and Recreation/Ed Burns Arena/Reservoir Beach.



Menotomy Minutemen Reenactors approaching the 250th anniversary of the Battle of Menotomy on Patriots Day weekend. April 20, 2025.

Town of Arlington, Massachusetts Public Annual Financial Report (PAFR)

Fiscal Year Ending June 30, 2025

The Town of Arlington's budget is a reflection of our community's values, priorities, and goals. The Town has a long history of public involvement and oversight in the creation of annual Town budgets. As part of Arlington's commitment to keeping you informed of how your tax dollars are spent, the Town compiles an annual Public Annual Financial Report (PAFR). The PAFR focuses on the most recently completed fiscal year (FY) 2025.

Arlington's fiscal year is July 1st – June 30th.

All data and financial information found in this report are drawn from the most up-to-date information available from the Town's Annual Report, the Town Manager's Financial Plan, the Finance Committee's report to Town Meeting, and the State's Division of Local Services (mass.gov/dor).

This report provides information such as relevant summarized financial schedules and tables so residents can more easily understand the Town's financial condition and trends. It does not present the same level of detail as any of the reports listed above. It contains reports and statements that do not present the entire financial reporting entity and may not conform to generally accepted accounting principles and governmental reporting standards. We hope it will provide you with financial information that you find useful and easy to access.

You can view complete Town budgets online (arlingtonma.gov/budget).

In This Report

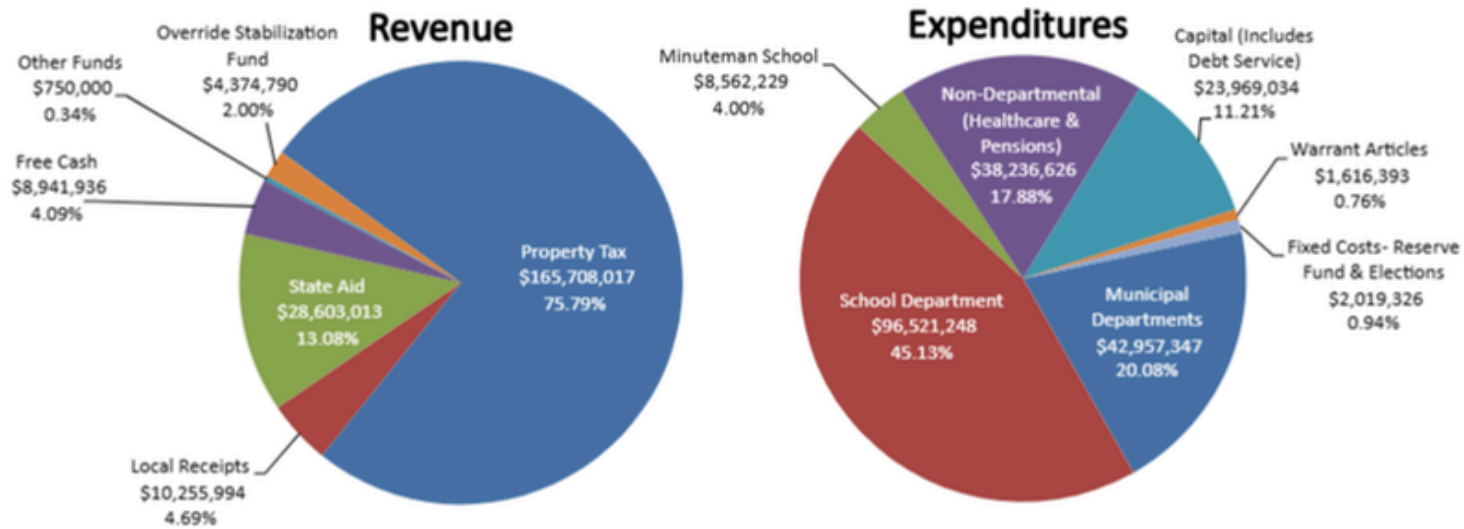
The information in this report is a snapshot of the Town's basic financial condition. It is a summary of where Arlington is now and how it compares to other, similar communities.

On **Page 2** you will find a breakdown of Arlington's revenues and expenditures. As you will see, Arlington's primary source of revenue is the Property Tax, followed by State Aid. Also on Page 2 is a budget summary and projection for FY2026 that provides more detail on the year-to-year growth of the Town budget.

Page 3 compares Arlington's Average Single Family Tax Bill, Average New Growth, and Total Per Capita Spending with other comparable communities, as well as the state average. These communities provide a reference point from which to understand Arlington's financial situation.

Page 4 outlines FY2025 highlights, including the Arlington High School building project, the Town Yard & Municipal Services Buildings project, and an American Rescue Plan Act (ARPA) update.

Fiscal Year 2025
\$218,633,750



The Arlington Public Schools budget is the largest departmental budget in the Town. In addition to the Town contribution to this budget, some additional funding comes directly from outside revenue sources. Details on the Arlington Public Schools budget may be found at: arlington.k12.ma.us

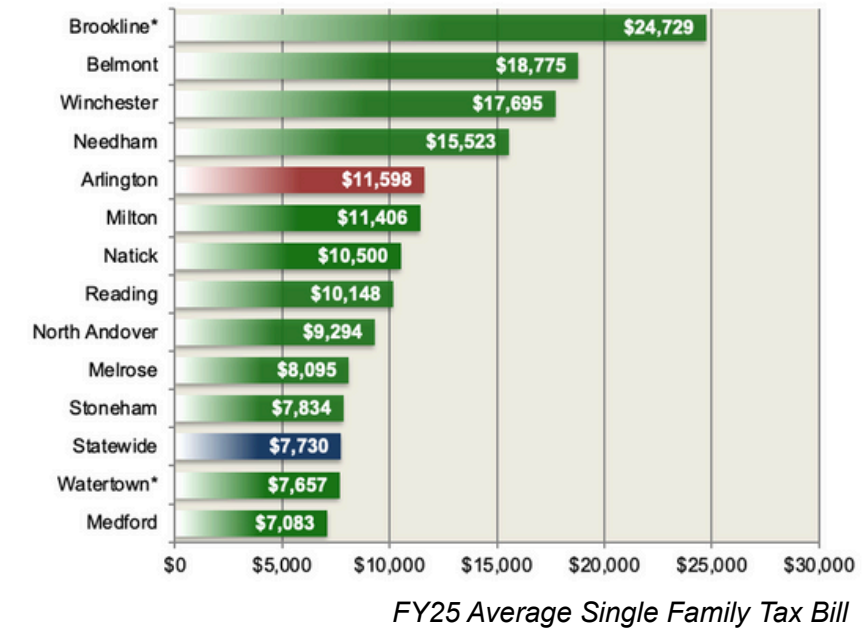
Budget Summary & FY2026 Projection

The summary provided below demonstrates the year-to-year growth between Fiscal Year 2025 and Fiscal Year 2026. This growth is consistent with the tenets of the Long Range Financial Plan. More detailed information and a glossary of terms, including the Town's Long Range Financial Plan can be found at: arlingtonma.gov/budget.

	FY2025 Budget	FY2026 Budget	Change \$	%
Revenue				
Property Tax	\$ 165,708,017	\$ 170,907,160	\$ 5,199,143	3.14%
Local Receipts	\$ 10,255,994	\$ 10,443,994	\$ 188,000	1.83%
State Aid	\$ 28,603,013	\$ 29,302,310	\$ 699,297	2.44%
Free Cash	\$ 8,941,936	\$ 10,298,997	\$ 1,357,061	15.18%
Other Funds	\$ 750,000	\$ 400,000	\$ (350,000)	-46.67%
Override Stabilization Fund	\$ 4,374,790	\$ 9,397,118	\$ 5,022,328	114.80%
TOTAL TAXES, FEES, AID, AND OTHER SOURCES	\$ 218,633,750	\$ 230,749,579	\$ 12,115,829	5.54%
Transfers in (Offsets)	\$ 3,218,686	\$ 3,273,043	\$ 54,357	1.69%
TOTAL REVENUES	\$ 221,852,436	\$ 234,022,622	\$ 12,170,186	5.49%
Expenditures				
Municipal Departments Appropriations	\$ 46,176,033	\$ 47,626,504	\$ 1,450,471	3.14%
Offsets and Indirect Costs	\$ (3,218,686)	\$ (3,273,043)	\$ (54,357)	1.69%
Municipal Departments (Taxation Total)	\$ 42,957,347	\$ 44,353,461	\$ 1,396,114	3.25%
School Department	\$ 96,521,248	\$ 103,630,672	\$ 7,109,424	7.37%
Minuteman School	\$ 8,562,229	\$ 8,518,104	\$ (44,125)	-0.52%
Non-Departmental (Healthcare & Pensions)	\$ 38,236,626	\$ 41,610,677	\$ 3,374,050	8.82%
Capital (Includes Debt Service)	\$ 23,969,034	\$ 24,266,392	\$ 297,358	1.24%
Warrant Articles	\$ 1,616,393	\$ 1,415,224	\$ (201,169)	-12.45%
Reserve Fund	\$ 2,019,326	\$ 2,089,593	\$ 70,267	3.48%
Override Stabilization Fund Deposit	\$ -	\$ -	\$ -	0.00%
TOTAL EXPENDITURES	\$ 213,882,204	\$ 225,884,123	\$ 12,001,919	5.61%
Non-Appropriated Expenses	\$ 4,751,546	\$ 4,865,456	\$ 87,279	1.84%
Surplus / (Deficit)	\$ -	\$ -	\$ -	0.00%

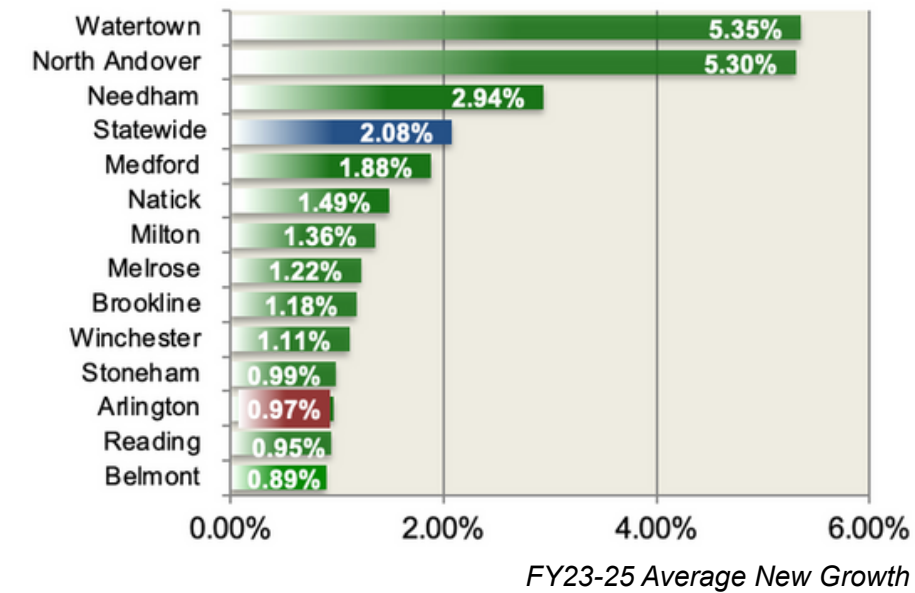
The **Average Single Family Tax Bill** is the average home value in a community multiplied by that community's property tax rate. While individual tax bills may vary according to individual home value, the Average Tax Bill is a good indicator of what the property tax burden is on residential taxpayers.

These 12 communities were selected by Town, School, and Union leadership and based on population, 5 year average municipal growth factor, population per square mile, median income per capita, median income per household, single family median home value, average family tax bill, total tax levy, excess capacity as a percentage of maximum levy, and residential valuation as a percentage of the total tax levy.



New Growth is the dollar increase in the annual levy limit that reflects the additional tax revenue generated by new construction, renovations, and other increases in the property tax base during a calendar year. Under Proposition 2½ local property taxes cannot be increased by more than 2.5% plus tax revenues from new growth added to the tax base. Consequently, for many communities, New Growth is an important revenue source.

Arlington's New Growth is near the bottom of its comparable communities and historically falls well short of the state-wide average.



Per Capita Spending is calculated from the total expenditures divided by population, which provides a point of comparison for how much the Town spends proportionate to its size and makes possible comparisons of spending among Towns, while accounting for population. Arlington is in the bottom half of per capita spending relative to its comparable communities. It is slightly above the state average of \$4,040. The Town spending does not create a structural deficit, the lack of revenue creates the deficit.

Source: Massachusetts Division of Local Services Municipal Databank mass.gov/info-details/division-of-local-services-municipal-databank

