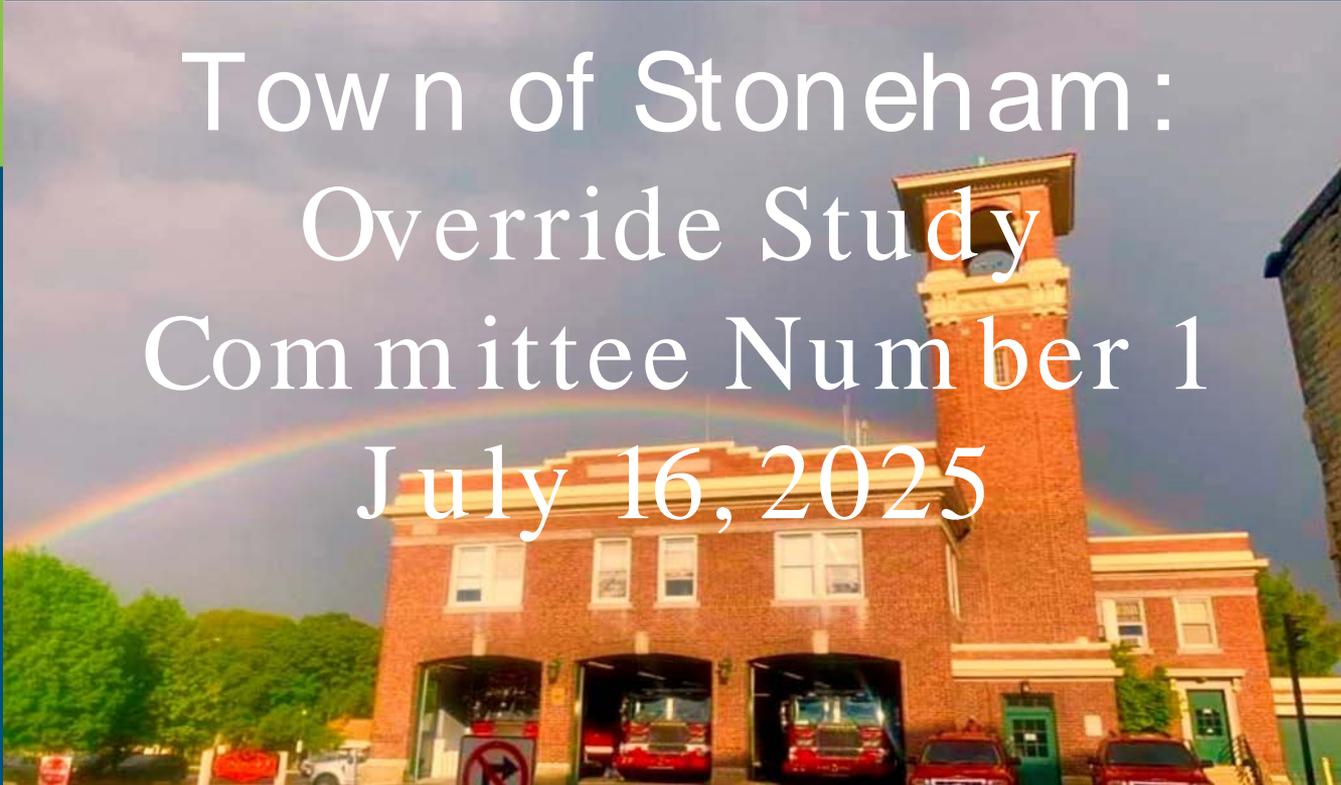


Town of Stoneham:  
Override Study  
Committee Number 1  
July 16, 2025

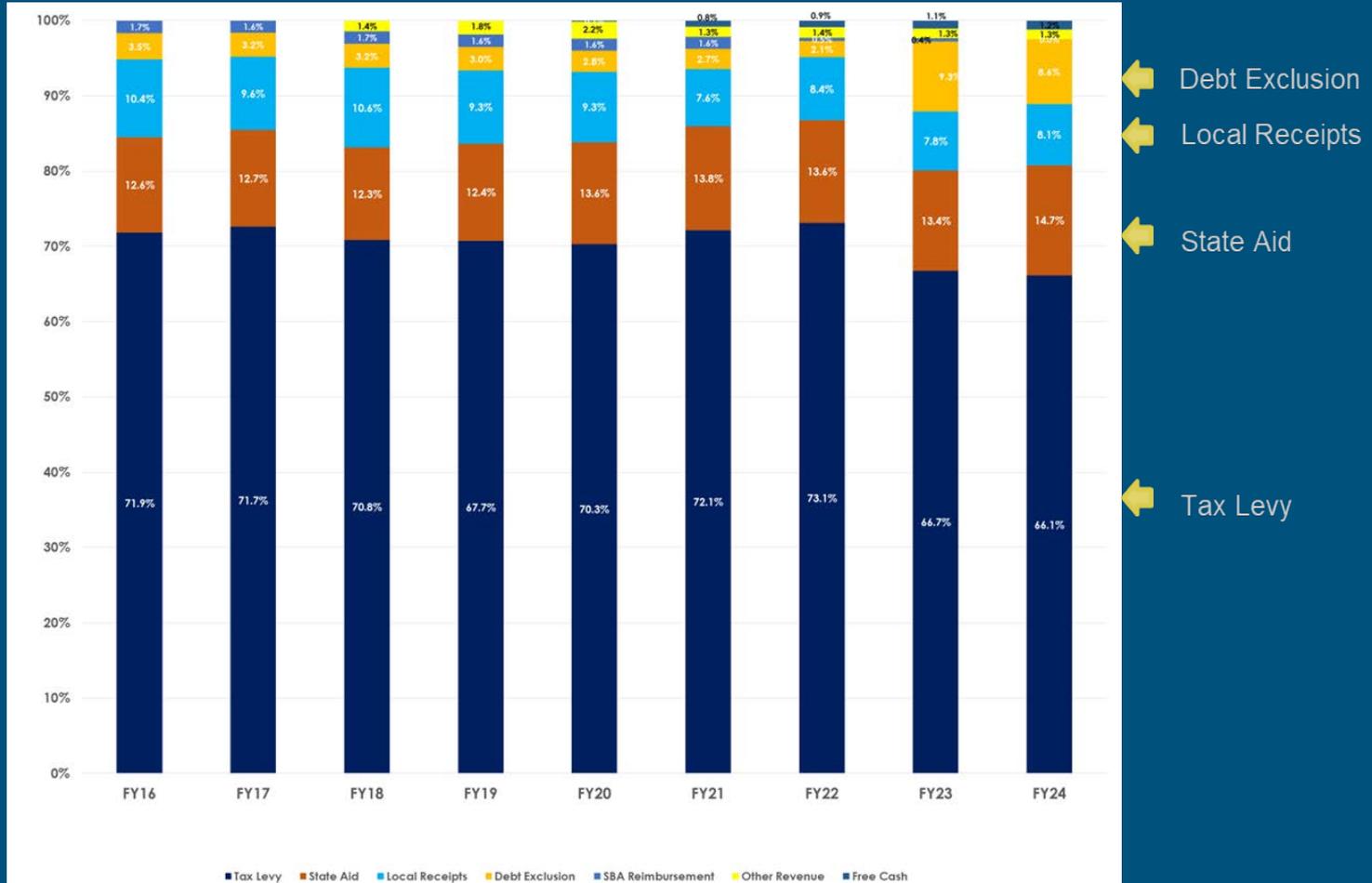


# Proposition 2<sup>1/2</sup>

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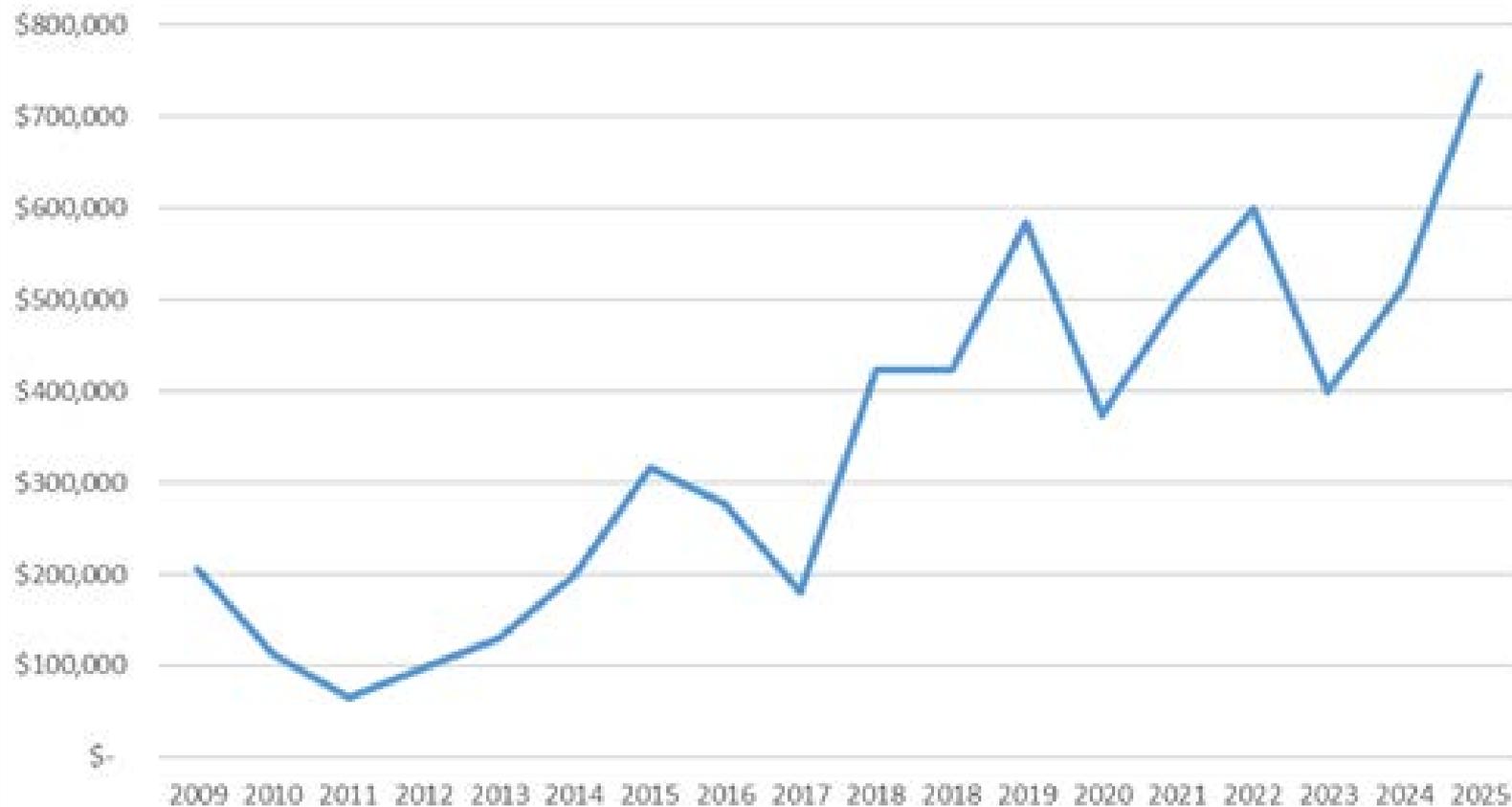
- Proposition 2<sup>1/2</sup> is a Massachusetts law enacted in 1980 that limits the amount of property tax revenue a municipality can raise through taxes. This revenue is called the tax levy.
- Prop 2<sup>1/2</sup> also limits how much the tax levy can be increased from year to year. The maximum amount a community can levy in any given year is called the levy limit.
- Prop 2<sup>1/2</sup> caps the tax levy at a 2.5 percent increase based on the value of all taxable commercial and residential property in the Town, as well as new growth.
- A community can permanently increase the levy limit through overrides with a majority vote by ballot.

# Revenue Allocation:



Budgeted Tax Account Description	STM Budget FY25	Actual FY25	ATM APPROVED FY26
Previous Tax Levy Limit	\$ 58,009,444	\$ 58,009,444	\$ 60,204,508
2.5% Limit	\$ 1,450,236	\$ 1,450,236	\$ 1,505,113
New Growth	\$ 735,000	\$ 744,828	\$ 960,000
Override		\$ -	\$ -
<b>Levy Limit</b>	<b>\$ 60,194,680</b>	<b>\$ 60,204,508</b>	<b>\$ 62,669,621</b>
Debt Exclusion	\$ 7,584,919	\$ 7,584,919	\$ 8,814,848
<b>Maximum Allowable Limit</b>	<b>\$ 67,779,599</b>	<b>\$ 67,789,426</b>	<b>\$ 71,484,469</b>
Tax levy used in budget			\$ 71,484,469
Excess Levy Capacity			0
Transfer to Budget Stabilization			
Transfer to Trash Subsidy			
Excess Levy Capacity			

## New Growth



# LOCAL RECEIPTS

	5 YEAR AVERAGE
A - Motor Vehicle	\$ 3,732,253.30
B - Meals Tax	\$ 403,817.51
C - Penalties & Interest	\$ 182,692.44
D- Payments In Lieu of Taxes	\$ 59,932.84
F - Fees	\$ 540,355.92
F - Fees (Taken out of local receipts and Treasury budget)	\$ 109,251.03
G - Rentals	\$ 130,012.48
H - Library	\$ 340,308.73
J - Recreation	\$ 654,561.81
K - Other Departmental	\$ 317,427.40
L - Licenses & Permits	\$ 607,635.59
L - Licenses & Permits - non Recurring	\$ 352,808.60
M - Fines & Forfeits	\$ 52,734.87
N - Investment Income	\$ 748,329.61
N - Investment Income - High School Project	\$ 272,984.21
O - Medicaid	\$ 150,962.13
P - Misc Recurring	\$ 50,487.83
Q - Misc Non Recurring	\$ 46,870.22
<b>Grand Total</b>	<b>\$ 8,710,371.76</b>

Select a Fiscal Year: 2026

Select a Municipality: Stoneham

Submit

Export Table

## FY2026 Preliminary Cherry Sheet Estimates Stoneham

[Estimated Receipts](#)
[Estimated Assessments & Charges](#)

PROGRAM	FY2025 Cherry Sheet Estimate	FY2026 Governor's Local Aid Proposal	FY2026 House Budget	FY2026 Senate Budget	FY2026 Conference Committee
<b>Education Receipts:</b>					
Chapter 70	7,515,053	7,747,488	7,891,703	7,891,703	7,891,703
School Transportation	0	0	0	0	0
Charter Tuition Reimbursement	1,014,482	754,484	901,654	830,489	938,547
Smart Growth School Reimbursement	0	0	0	0	0
<b>Offset Receipts:</b>					
School Choice Receiving Tuition	0	0	0	0	0
<b>Sub-Total, All Education Items:</b>	<b>8,529,535</b>	<b>8,501,972</b>	<b>8,793,357</b>	<b>8,722,192</b>	<b>8,830,250</b>
<b>General Government:</b>					
Unrestricted Gen Gov't Aid	4,576,264	4,676,942	4,576,264	4,676,942	4,626,603
Local Share of Racing Taxes	0	0	0	0	0
Regional Public Libraries	0	0	0	0	0
Veterans Benefits	108,325	85,715	85,715	85,715	86,770
Exemp: VBS and Elderly	119,349	193,499	193,499	185,796	185,796
State Owned Land	4,611	4,611	4,611	4,611	4,611
<b>Offset Receipts:</b>					
Public Libraries	56,625	57,658	57,658	57,658	57,658
<b>Sub-Total, All General Government:</b>	<b>4,865,174</b>	<b>5,018,425</b>	<b>4,917,747</b>	<b>5,010,722</b>	<b>4,961,438</b>
<b>Total Estimated Receipts:</b>					
	<b>13,394,709</b>	<b>13,520,397</b>	<b>13,711,104</b>	<b>13,732,914</b>	<b>13,791,688</b>

PROGRAM	FY2025 Cherry Sheet Estimate	FY2026 Governor's Local Aid Proposal	FY2026 House Budget	FY2026 Senate Budget	FY2026 Conference Committee
<b>County Assessments:</b>					
County Tax	0	0	0	0	0
Suffolk County Retirement	0	0	0	0	0
<b>Sub-Total, County Assessments:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>State Assessments and Charges:</b>					
Retired Employees Health Insurance	0				
Retired Teachers Health Insurance	0	0	0	0	0
Mosquito Control Projects	0	0	0	0	0
Air Pollution Districts	8,692	8,751	8,751	8,751	8,751
Metropolitan Area Planning Council	13,494	13,881	13,860	13,860	13,860
Old Colony Planning Council	0	0	0	0	0
RMV Non-Renewal Surcharge	22,720	22,720	22,720	22,720	22,720
<b>Sub-Total, State Assessments:</b>	<b>44,906</b>	<b>45,352</b>	<b>45,331</b>	<b>45,331</b>	<b>45,331</b>
<b>Transportation Authorities:</b>					
MBTA	565,840	584,683	584,510	584,613	584,613
Boston Metro, Transit District	0				
Regional Transit	0	0	0	0	0
<b>Sub-Total, Transp Authorities:</b>	<b>565,840</b>	<b>584,683</b>	<b>584,510</b>	<b>584,613</b>	<b>584,613</b>
<b>Annual Charges Against Receipts:</b>					
Multi-Year Repayment Program	0	0	0	0	0
Special Education	0	0	0	0	0
<b>Sub-Total, Annual Charges:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Tuition Assessments:</b>					
School Choice Sending Tuition	101,177	101,713	130,225	130,225	130,225
Charter School Sending Tuition	3,824,454	4,007,393	4,079,132	4,208,253	4,187,753
<b>Sub-Total, Tuition Assessments:</b>	<b>3,925,631</b>	<b>4,109,106</b>	<b>4,209,357</b>	<b>4,338,478</b>	<b>4,317,978</b>
<b>Total All Estimated Charges:</b>	<b>4,536,377</b>	<b>4,739,141</b>	<b>4,839,198</b>	<b>4,968,422</b>	<b>4,947,922</b>

# Budget Percentages



	FY25	FY26	
TOWN BUDGETS	\$ 19,796,478.00	\$ 20,498,562.00	3.5%
SCHOOL BUDGET	\$ 35,796,978.00	\$ 37,049,872.00	3.5%
VOCATIONAL SCHOOL	\$ 1,830,429.00	\$ 2,015,754.00	10.1%
SHARED EXPENSES	\$ 34,917,610.00	\$ 36,890,721.00	5.7%
Total	\$ 92,341,495.00	\$ 96,454,909.00	4.5%

Town of Stoneham  
Summary of Revenues and Expenses  
July 1, 2025

	STM Approved FY25	DEPARTMENT REQUEST FY26	ADMINISTRATOR RECOMMENDED FY26	Select Board RECOMMENDED FY26	ATM Approved FY26
<b>I. REVENUES</b>					
TAX LEVY	59,459,680	61,709,621	61,709,621	61,709,621	61,709,621
DEBT EXCLUSION	7,584,919	8,814,848	8,814,848	8,814,848	8,814,848
NEW GROWTH	735,000	500,000	700,000	700,000	960,000
SUBTOTAL	67,779,599	71,024,469	71,224,469	71,224,469	71,484,469
LOCAL RECEIPTS	8,055,688	8,216,802	8,377,916	8,377,916	8,377,916
EST CHERRY SHEET	13,338,084	13,338,084	13,462,739	13,462,739	13,653,446
FREE CASH					
INTERGOVERNMENTAL	1,209,449	1,239,685	1,245,732	1,245,732	1,353,400
SUBTOTAL	22,603,221	22,794,571	23,086,387	23,086,387	23,384,762
<b>TOTAL REVENUE</b>	<b>90,382,820</b>	<b>93,819,040</b>	<b>94,310,856</b>	<b>94,310,856</b>	<b>94,869,231</b>
<b>II. EXPENSES</b>					
TOWN BUDGETS	19,796,478	22,682,458	20,498,562	20,498,562	20,045,729
SCHOOL BUDGET	35,796,978	48,000,000	37,049,872	37,049,872	39,460,244
VOCATIONAL SCHOOL	1,830,429	2,015,754	2,015,754	2,015,754	1,819,235
SHARED EXPENSES					
HEALTH INSURANCE	10,732,410	11,990,826	11,990,825	11,990,825	11,990,825
RETIREMENT	7,059,801	5,834,853	5,684,897	5,684,897	5,684,897
MEDICARE	660,000	660,000	660,000	660,000	660,000
PROPERTY & CASUALTY INSURANCE	750,000	944,700	939,700	939,700	939,700
WORKER'S COMPENSATION	374,540	374,540	324,540	324,540	324,540
UNCOMPENSATED BALANCES					
RESERVE FUND	705,059	125,000	125,000	125,000	125,000
DEBT	8,400,807	9,924,565	9,924,565	9,924,565	9,924,565
TOWN AUDIT	95,000	98,000	98,000	98,000	98,000
CAPITAL STABILIZATION(Non Operati	392,872	601,351	601,351	601,351	601,351
STABILIZATION (Non Operational)	785,744	1,202,702	1,202,702	1,202,702	-
OPEB TRUST FUND (Non Operational)	200,000	200,000	200,000	200,000	200,000
OVERLAY PROVISIONS	225,000	260,000	400,000	400,000	400,000
ASSESSMENTS/OFFSETS	4,536,377	4,536,377	4,739,141	4,739,141	4,839,198
<b>TOTAL EXPENSES</b>	<b>92,341,495</b>	<b>109,451,126</b>	<b>96,454,909</b>	<b>96,454,909</b>	<b>97,113,284</b>
<b>BALANCE AVAILABLE</b>	<b>(1,958,675)</b>	<b>(15,632,086)</b>	<b>(2,144,053)</b>	<b>(2,144,053)</b>	<b>(2,244,053)</b>
<b>ONE TIME REVENUES</b>					
FREE CASH	1,608,675	2,004,053	2,144,053	2,144,053	2,244,053
GENERAL STABILIZATION	350,000				
OVERLAY SURPLUS					
EXCESS/(DEFICIT)	-	(13,628,033)	(0)	(0)	(0)
<b>ENTERPRISE FUNDS</b>					
WATER RECEIPTS	5,188,760	5,526,841	5,526,841	5,526,841	5,467,542
WATER RETAINED EARNINGS	375,000	425,000	425,000	425,000	525,000
TOTAL WATER REVENUE	5,563,760	5,951,841	5,951,841	5,951,841	5,992,542
SEWER RECEIPTS	7,248,675	7,479,621	7,479,621	7,479,621	7,546,589
SEWER RETAINED EARNINGS	300,000	300,000	300,000	300,000	300,000
TOTAL SEWER REVENUE	7,548,675	7,779,621	7,779,621	7,779,621	7,846,589
SEWER EXPENSES	7,548,675	7,779,621	7,779,621	7,779,621	7,846,589
WATER EXPENSES	5,563,760	5,951,841	5,951,841	5,951,841	5,992,542
<b>TOTAL BUDGET</b>	<b>105,453,930</b>	<b>123,182,589</b>	<b>110,186,372</b>	<b>110,186,372</b>	<b>110,952,415</b>

Town 1%  
School 10%  
Insurance 12%/25%

# Budget Reductions

<b>Positions</b>	
DPW	
DPW Mechanics (2)	\$ 128,325.00
Assistant Building Inspector (.5)	\$ 37,597.00
Police	
Salaries (3)	\$ 214,035.00
Overtime	\$ 100,000.00 *
Fire	
salaries (1)	\$ 60,028.00
Overtime	\$ 75,000.00 *
Recreation Director (.5)	\$ 44,086.00
Prevention & Outreach (.5)	\$ 40,000.00
Traffic Directors (4)	\$ 36,486.00
Planning Board	\$ 15,000.00

<b>Expenses</b>	
Elected Officials salaries ( Select Board, Assessors, Mod	\$ 18,800.00
Town Administrator	\$ 3,750.00
Assessors	\$ 1,500.00
Accounting	\$ 7,600.00
Memorial Day Parade	\$ 2,000.00
Town Counsel	\$ 10,000.00
Stabilization	\$ 1,202,702.00
Trash Subsidy	\$ 125,000.00
Treasurer	\$ 2,930.00
Conservation	\$ 37,689.00
Police ( Academy cost & Uniforms)	\$ 30,000.00 *
DPW MS4 Drainage	\$ 53,000.00
Veterans Services	\$ 30,000.00
Postage	\$ 30,000.00
Recreation	\$ 5,000.00
Select board	\$ 3,600.00
MVES- Resident Coordinator	\$ 40,000.00
Library	\$ 131,237.00
Economic Dev	\$ 40,570.00
COA	\$ 68,943.00
Emergency Management	\$ 1,500.00
Public Properties	\$ 5,000.00
<b>Total Town Reductions</b>	<b>\$ 2,601,378.00</b>
* Reduction from Requested Budget	

# Fiscal Policies and Guidelines: FY26

Current Reserve Balances	% of FY25 General Fund Budget	Policy	FY26 Forecasted Appropriation	Forecasted FY26 Balance	Forecasted % of General Fund Budget	Compliance of Policy
5,996,061	6.49%	<b>Fiscal Guidelines &amp; Policies (Stabilization):</b> The Town will endeavor to maintain a minimum balance of five (5) percent (%) of the current operating budget in its general stabilization fund.	1,202,702	7,198,763	7.16%	
1,810,671	1.96%	<b>Fiscal Guidelines &amp; Policies (Capital Stabilization):</b> The Town will annually appropriate five (5) percent (%) of the certified free cash to this fund until it minimally achieves a balance equal to two – four (2-4) percent (%) of the general fund operating budget.	601,351	2,412,022	2.40%	

*Current and forecasted balance will fluctuate due to income and invest earnings.*

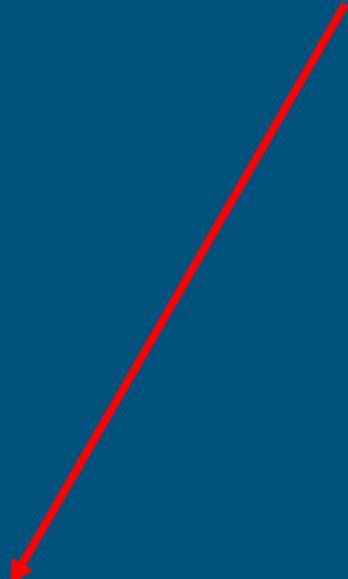
# Fund Balances

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- Ongoing Override  
Discussion/ Select Board
- Fiscal Policy Goals
- Runway
- FY 25 Revenue Estimates/ FY 26
- Cuts
- Bond Rating
- History

	FY25 - TM Adopted	FY26 Estimate	FY27 Estimate	FY28 Estimate	FY29 Estimate
<b>REVENUES</b>					
Property Taxes	59,459,680	61,709,621	63,918,612	66,182,827	68,503,647
New Growth	735,000	650,000	650,000	650,000	650,000
Debt Exclusion	7,584,919	8,814,848	8,728,669	8,724,544	8,726,044
<b>TOTAL TAX REVENUE</b>	<b>67,779,599</b>	<b>71,174,469</b>	<b>73,297,281</b>	<b>75,557,371</b>	<b>77,879,691</b>
Local Receipts	8,055,688	8,216,802	8,381,138	8,548,761	8,719,736
State Aid	13,338,084	13,462,739	13,462,739	13,462,739	13,462,739
Free Cash/Overlay Surplus	1,958,675	2,004,053	2,004,053	2,004,053	2,004,053
Water & Sewer Indirect	1,209,449	1,233,638	1,258,311	1,283,477	1,309,146
<b>TOTAL REVENUE</b>	<b>92,341,495</b>	<b>96,091,701</b>	<b>98,403,521</b>	<b>100,856,400</b>	<b>103,375,366</b>
<b>Expenses</b>					
Town Base Operating Expense	19,796,478	21,439,586	22,136,372	22,855,804	23,598,618
School Base Operating Expense	35,796,978	39,896,857	41,492,731	43,152,441	44,878,538
Regional School Expense	1,830,429	2,078,211	2,161,339	2,247,793	2,337,705
Shared Expenses	13,317,009	14,915,050	16,257,405	17,720,571	19,315,422
Contributory Pension	7,059,801	5,684,897	5,000,000	5,000,000	5,000,000
Debt Service - Non exempt	815,888	1,280,859	1,089,788	1,034,313	979,363
Debt Service - Exempt	7,584,919	8,814,848	8,728,669	8,724,544	8,726,044
OPEB/Capital Stabilization/Stabilization	1,378,616	2,004,053	2,004,053	2,004,053	2,004,053
Assessments	4,536,377	4,739,141	4,928,707	5,125,855	5,330,889
Overlay	225,000	400,000	400,000	400,000	400,000
<b>TOTAL EXPENSES</b>	<b>92,341,495</b>	<b>101,253,502</b>	<b>104,199,064</b>	<b>108,265,374</b>	<b>112,570,632</b>
<b>SURPLUS (DEFICIT)</b>	<b>-</b>	<b>(5,161,801)</b>	<b>(5,795,543)</b>	<b>(7,408,973)</b>	<b>(9,195,266)</b>

**“Level Service”- \$9.2 Million**



	FY25 - TM Adopted	FY26 Estimate	FY27 Estimate	FY28 Estimate	FY29 Estimate
<b>REVENUES</b>					
Property Taxes	59,459,680	61,709,621	63,918,612	66,182,827	68,503,647
New Growth	735,000	650,000	650,000	650,000	650,000
Debt Exclusion	7,584,919	8,814,848	8,728,669	8,724,544	8,726,044
<b>TOTAL TAX REVENUE</b>	<b>67,779,599</b>	<b>71,174,469</b>	<b>73,297,281</b>	<b>75,557,371</b>	<b>77,879,691</b>
Local Receipts	8,055,688	8,216,802	8,381,138	8,548,761	8,719,736
State Aid	13,338,084	13,462,739	13,462,739	13,462,739	13,462,739
Free Cash/Overlay Surplus	1,958,675	2,004,053	2,004,053	2,004,053	2,004,053
Water & Sewer Indirect	1,209,449	1,233,638	1,258,311	1,283,477	1,309,146
<b>TOTAL REVENUE</b>	<b>92,341,495</b>	<b>96,091,701</b>	<b>98,403,521</b>	<b>100,856,400</b>	<b>103,375,366</b>
<b>Expenses</b>					
Town Base Operating Expense Level Service	19,796,478	21,439,586	22,136,372	22,855,804	23,598,618
Town New Personnel/Services		1,675,812	1,775,094	1,881,251	1,994,817
School Base Operating Expense Level Service	35,796,978	39,896,857	41,492,731	43,152,441	44,878,538
School New Personnel/Services		2,567,401	2,670,097	2,776,901	2,887,977
Regional School Expense	1,830,429	2,078,211	2,161,339	2,247,793	2,337,705
Shared Expenses	13,317,009	15,314,560	16,692,871	18,195,229	19,832,800
Contributory Pension	7,059,801	5,684,897	5,000,000	5,000,000	5,000,000
Debt Service - Non exempt	815,888	1,280,859	1,089,788	1,034,313	979,363
Debt Service - Exempt	7,584,919	8,814,848	8,728,669	8,724,544	8,726,044
OPEB/Capital Stabilization/Stabilization	1,378,616	2,004,053	2,004,053	2,004,053	2,004,053
Assessments	4,536,377	4,739,141	4,928,707	5,125,855	5,330,889
Overlay	225,000	400,000	400,000	400,000	400,000
<b>TOTAL EXPENSES</b>	<b>92,341,495</b>	<b>105,896,225</b>	<b>109,079,721</b>	<b>113,398,184</b>	<b>117,970,803</b>
<b>SURPLUS (DEFICIT)</b>	<b>-</b>	<b>(9,804,524)</b>	<b>(10,676,200)</b>	<b>(12,541,784)</b>	<b>(14,595,437)</b>

Town Adds +  
School Adds =  
\$14.6 Million

