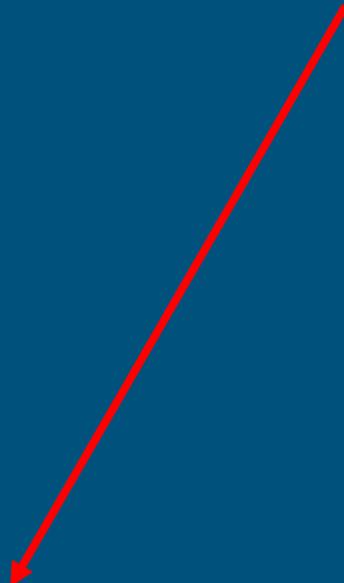


Town of Stoneham:
Override Study
Committee
September 2, 2025



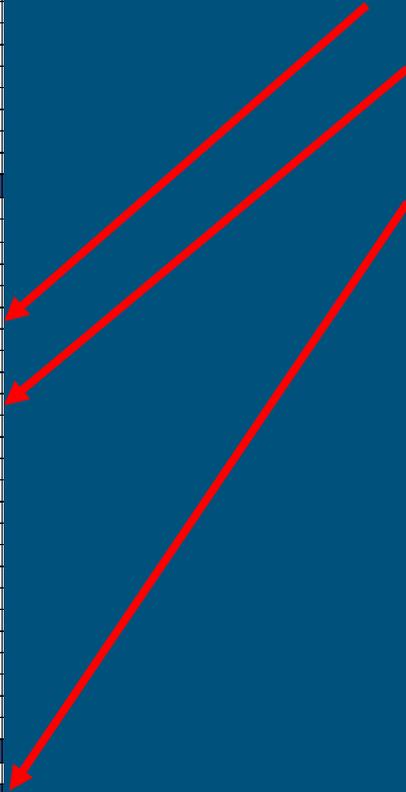
	FY25 - TM Adopted	FY26 Estimate	FY27 Estimate	FY28 Estimate	FY29 Estimate
REVENUES					
Property Taxes	59,459,680	61,709,621	63,918,612	66,182,827	68,503,647
New Growth	735,000	650,000	650,000	650,000	650,000
Debt Exclusion	7,584,919	8,814,848	8,728,669	8,724,544	8,726,044
TOTAL TAX REVENUE	67,779,599	71,174,469	73,297,281	75,557,371	77,879,691
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
TOTAL REVENUE	92,341,495	96,091,701	98,403,521	100,856,400	103,375,366
Expenses					
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
TOTAL EXPENSES	92,341,495	101,253,502	104,199,064	108,265,374	112,570,632
SURPLUS (DEFICIT)	-	(5,161,801)	(5,795,543)	(7,408,973)	(9,195,266)

“Level Service”- \$9.2 Million

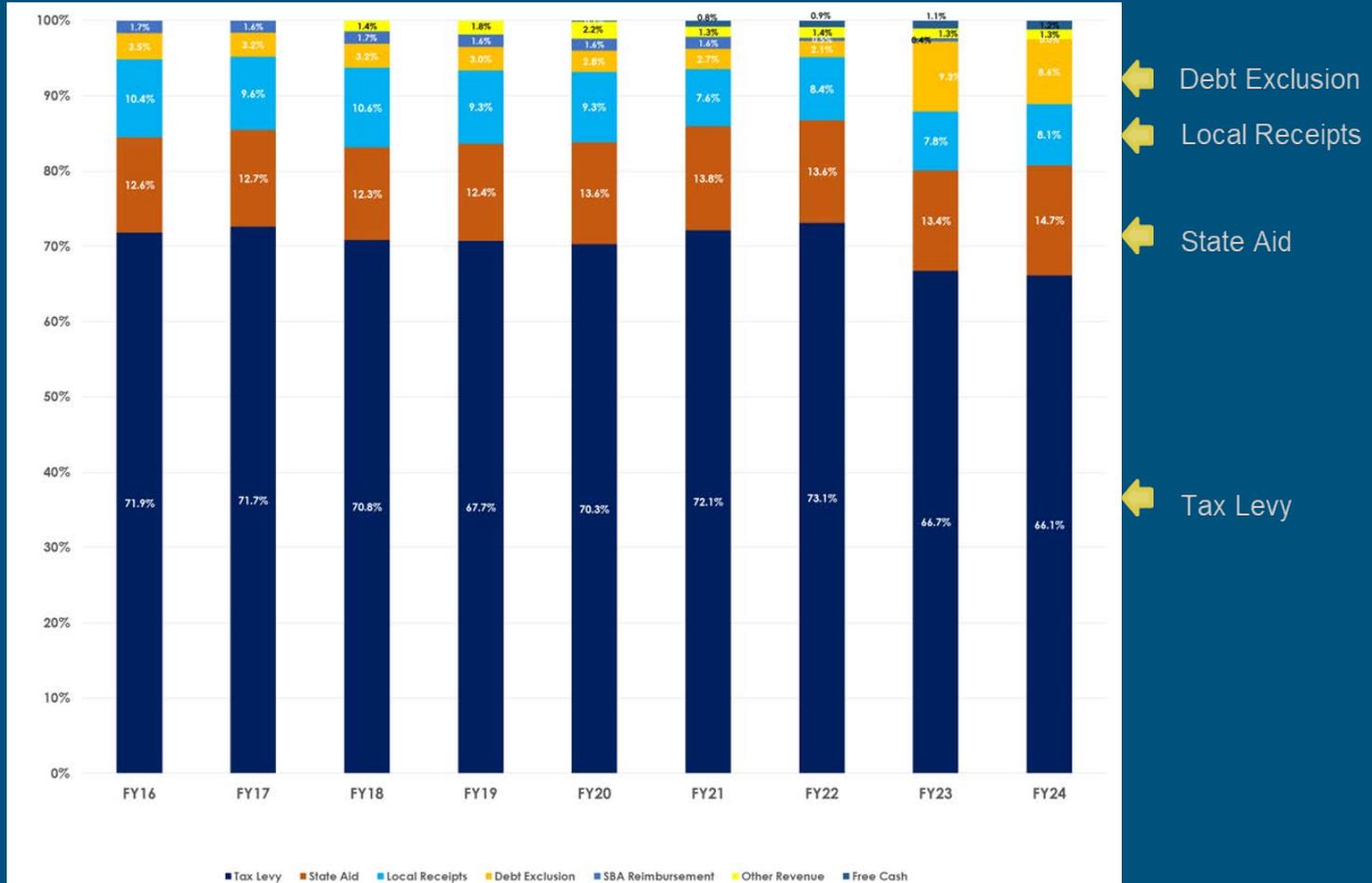


	FY25 - TM Adopted	FY26 Estimate	FY27 Estimate	FY28 Estimate	FY29 Estimate
REVENUES					
Property Taxes	59,459,680	61,709,621	63,918,612	66,182,827	68,503,647
New Growth	735,000	650,000	650,000	650,000	650,000
Debt Exclusion	7,584,919	8,814,848	8,728,669	8,724,544	8,726,044
TOTAL TAX REVENUE	67,779,599	71,174,469	73,297,281	75,557,371	77,879,691
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
TOTAL REVENUE	92,341,495	96,091,701	98,403,521	100,856,400	103,375,366
Expenses					
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
TOTAL EXPENSES	92,341,495	105,896,225	109,079,721	113,398,184	117,970,803
SURPLUS (DEFICIT)	-	(9,804,524)	(10,676,200)	(12,541,784)	(14,595,437)

Town Adds +
School Adds =
\$14.6 Million



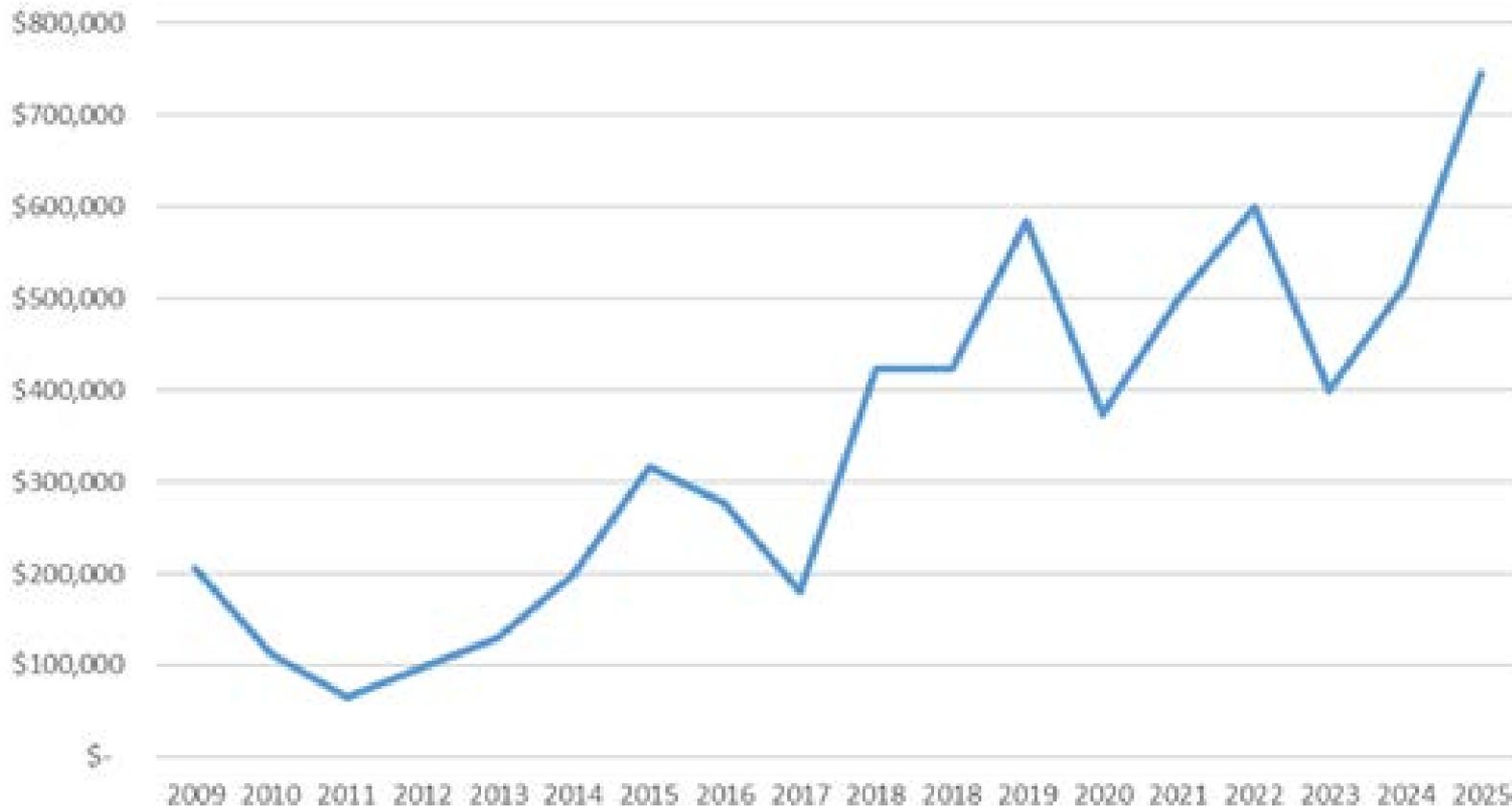
Revenue Allocation:



Trends-Revenue-Prop 2.5%

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		\$ -	\$ -
Levy Limit	\$ 60,194,680	\$ 60,204,508	\$ 62,669,621
Debt Exclusion	\$ 7,584,919	\$ 7,584,919	\$ 8,814,848
Maximum Allowable Limit	\$ 67,779,599	\$ 67,789,426	\$ 71,484,469
Tax levy used in budget			\$ 71,484,469
Excess Levy Capacity			0
Transfer to Budget Stabilization			
Transfer to Trash Subsidy			
Excess Levy Capacity			

Trends-Revenue-New Growth



Trends-Revenue-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
Grand Total	\$ 8,710,371.76

Trends-Revenue-State Aid

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
Education Receipts:					
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
Offset Receipts:					
School Choice Receiving Tuition	0	0	0	0	0
Sub-Total, All Education Items:	8,529,535	8,501,972	8,793,357	8,722,192	8,830,250
General Government:					
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
Offset Receipts:					
Public Libraries	56,625	57,658	57,658	57,658	57,658
Sub-Total, All General Government:	4,865,174	5,018,425	4,917,747	5,010,722	4,961,438
Total Estimated Receipts:					
	13,394,709	13,520,397	13,711,104	13,732,914	13,791,688

Trends-Revenue-State Aid

PROGRAM	FY2025 Cherry Sheet Estimate	FY2026 Governor's Local Aid Proposal	FY2026 House Budget	FY2026 Senate Budget	FY2026 Conference Committee
County Assessments:					
County Tax	0	0	0	0	0
Suffolk County Retirement	0	0	0	0	0
Sub-Total, County Assessments:	0	0	0	0	0
State Assessments and Charges:					
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
Sub-Total, State Assessments:	44,906	45,352	45,331	45,331	45,331
Transportation Authorities:					
MBTA	565,840	584,683	584,510	584,613	584,613
Boston Metro. Transit District	0				
Regional Transit	0	0	0	0	0
Sub-Total, Transp Authorities:	565,840	584,683	584,510	584,613	584,613
Annual Charges Against Receipts:					
Multi-Year Repayment Program	0	0	0	0	0
Special Education	0	0	0	0	0
Sub-Total, Annual Charges:	0	0	0	0	0
Tuition Assessments:					
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
Sub-Total, Tuition Assessments:	3,925,631	4,109,106	4,209,357	4,338,478	4,317,978
Total All Estimated Charges:	4,536,377	4,739,141	4,839,198	4,968,422	4,947,922

Trends-Revenue-State Aid

STONEHAM LOCAL AID HISTORY

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
REVENUE	\$ 8,766,796.00	\$ 9,792,550.00	\$ 9,824,563.00	\$ 10,244,683.00	\$ 11,340,705.00	\$ 12,876,650.00	\$ 13,338,084.00	\$ 13,653,446.00
ASSESSMENTS	\$ (1,804,482.00)	\$ (2,165,950.00)	\$ (2,441,412.00)	\$ (2,986,353.00)	\$ (3,658,760.00)	\$ (4,090,323.00)	\$ (4,536,377.00)	\$ (4,839,198.00)
NET LOCAL AID	\$ 6,962,314.00	\$ 7,626,600.00	\$ 7,383,151.00	\$ 7,258,330.00	\$ 7,681,945.00	\$ 8,786,327.00	\$ 8,801,707.00	\$ 8,814,248.00
% CHANGE		10%	-3%	-2%	6%	14%	0%	0%
\$ CHANGE		\$ 664,286.00	\$ (243,449.00)	\$ (124,821.00)	\$ 423,615.00	\$ 1,104,382.00	\$ 15,380.00	\$ 12,541.00

FY24 INCREASE DUE TO STUDENT OPPORTUNITY ACT

Trends-Expenses-Charter School

\$1,229,099.00	\$1,548,739.00	\$1,907,967.00	\$2,387,999.00	\$2,995,833.00	\$3,405,901.00	\$3,824,454.00	\$4,007,393.00
7%	26%	23%	25%	25%	14%	12%	5%

Trends-Expenses-Health Insurance

What is driving premium increases?

- **Medical and pharmacy cost inflation** is the primary driver of premium increases
 - Health care inflation and provider consolidation have led to higher unit prices, representative of the contracts that health plans have in place with hospitals and care providers
 - Levels of plan utilization continue to increase in the market
 - Pharmaceutical companies have raised prices for brand name and specialty drugs
 - Significant increases in GLP-1 drug class utilization for weight loss have contributed to pharmacy claims increases
- **Massachusetts market data** collected by the Center for Health Information and Analysis (CHIA) and presented by the Health Policy Commission (HPC) reflect this inflation in the state's broader commercial market
- **GIC** claims data reflects this in:
 - More expensive claims for the same services provided in prior years
 - Faster rate of unit cost increases in relation to utilization
 - Significant pharmacy claims increases from FY23 to FY24

Trends-Expenses-Health Insurance 10%

Increases from nearby states range from 7-18% increases:

- Rhode Island – 8-12%,
- Maine – over 9%,
- Vermont – 18%.



Trends-Expenses-Health Insurance

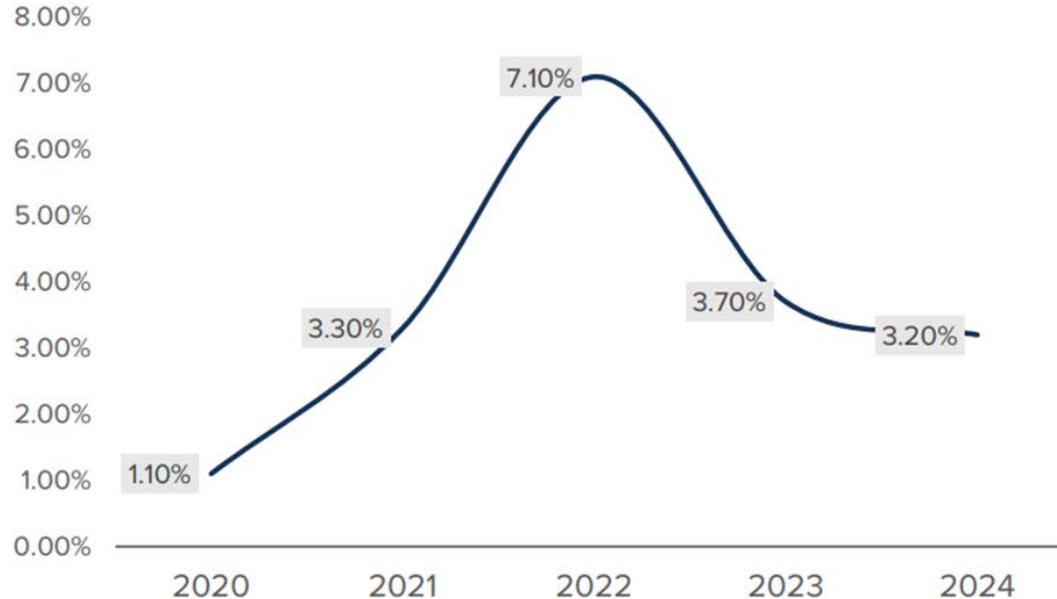
	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>
<u>WC Insurance</u>	\$ 327,318.00	\$ 384,877.00	\$ 290,183.58	\$ 340,300.25	\$ 256,091.00	\$ 232,616.10
Increase/Decrease		\$ 57,559.00	\$ (94,693.42)	\$ 50,116.67	\$ (84,209.25)	\$ (23,474.90)
Percentage change		18%	-25%	17%	-25%	-9%
<u>Liability Insurance</u>	\$ 437,119.12	\$ 497,830.30	\$ 545,843.92	\$ 653,232.27	\$ 732,543.62	\$ 909,938.88
Increase/Decrease		\$ 60,711.18	\$ 48,013.62	\$ 107,388.35	\$ 79,311.35	\$ 177,395.26
Percentage change		14%	10%	20%	12%	24%
	\$ 764,437.12	\$ 882,707.30	\$ 836,027.50	\$ 993,532.52	\$ 988,634.62	\$ 1,142,554.98

Trends-Expenses-SPED

FY	SPED Expenditures	Non SPED Expenses	Total Expenses	Stoneham % of SPED Exp. Vs. Total
2017	\$9,867,274	\$16,867,468	\$26,736,759	36.91%
2018	\$9,894,747	\$17,839,895	\$27,736,660	35.68%
2019	\$10,542,897	\$18,373,832	\$28,918,748	36.46%
2020	\$10,250,947	\$20,059,988	\$30,312,955	33.82%
2021	\$10,455,966	\$19,670,763	\$30,128,750	34.71%
2022	\$10,237,763	\$20,725,266	\$30,965,051	33.06%
2023	\$10,808,402	\$21,292,018	\$32,102,443	33.67%
2024	\$13,976,186	\$20,320,293	\$34,298,503	40.75%
2025	\$15,513,566	\$20,283,411	\$35,799,002	43.34%

Trends-Expenses-Inflation

Boston Metro Area Inflation During & After COVID



Source: U.S. Bureau of Labor Statistics

General Fund/Grant/Capital

PW Service Contracts	Term	Awarded Vendor	FY 24 Spend	FY 25 Spend	FY 26 Spend	Funding Source
Asphalt Crack and Sealing Services	08/18/2025-08/17/2026	Indus		\$ 43,795.00	\$ -	DPW Operating Budget
Asphalt Mill and Pave	07/1/2023-06/30/2026	D&R General Contracting Inc.	\$ 717,035.86	\$ 782,180.53		Chapter 90, Streets and Sidewalks
Catch Basin & Storm Drain Cleaning Services	08/17/2024-08/16/2026 with one additional option year remaining	New England Storm Water Management, LLC		\$ 39,920.00	\$ 38,420.00	DPW Operating Budget
Catch Basin & Street Sweeping Spoils Removal and Disposal	06/20/2024-06/19/2026 with one additional option year remaining	W.L. French		\$ 18,092.49	\$ -	DPW Repair and Maintenance Budget
Concrete Sidewalk and Granite Curb Construction Services	03/26/2024-03/25/2026 with one additional option year remaining	Richard D'Ambrosia Inc.		\$ 350,352.60	\$ -	DPW Operating Budget - Streets and Sidewalks
Fence and Guardrail Installation	07/01/2025-06/30/2026 with two additional option years remaining	Carli Fence			\$ 12,236.00	DPW Repair and Maintenance Budget
Landscaping Services Lindenwood Cemetery	12/12/2024 - 12/11/2025 with two additional option years remaining	GroundMasters Corporation		\$ 30,600.00	\$ 16,400.00	DPW Operating Budget
Street Sweeping Services	03/21/2025-03/20/2026	Millennium		\$ 13,200.00		
Traffic Marking Services	08/04/2025-08/03/2026 with two additional years remaining	Markings, Inc.	\$34,065.72 *	\$46,391.4 *		Chapter 90, Streets and Sidewalks
Tree Trimming and Yard Waste Removal	11/15/2022-11/14/2025	Mayer Tree Service	\$ 134,651.87	\$ 113,384.00	\$ 12,881.73	DPW Operating Budget
Underground Storage Tank Inspection Service Contract	Yearly agreement	Comm Tank	\$ 7,851.73	\$ 13,940.65		

*Working Document

<u>TOWN</u>	<u>FY26 BUDGET</u>					
	<u>FY26 OPERATING</u>		<u>PER ROAD</u>		<u>FY26 BUDGET PER</u>	
	<u>BUDGET</u>	<u>ROAD MILES</u>	<u>MILE TOTAL</u>	<u>FY26 BUDGET</u>	<u>POPULATION</u>	<u>PERSON TOTAL</u>
DANVERS	\$ 14,959,213.00	106.77	\$ 140,106.89	\$ 14,959,213.00	28,087	\$ 532.60
MELROSE	\$ 4,175,553.00	71.72	\$ 58,220.20	\$ 4,175,553.00	29,817	\$ 140.04
NORTH READING	\$ 4,130,611.00	79.68	\$ 51,840.00	\$ 4,130,611.00	15,554	\$ 265.57
READING	\$ 11,992,611.00	92.53	\$ 129,607.81	\$ 11,992,611.00	25,518	\$ 469.97
WAKEFIELD	\$ 8,252,829.00	84.76	\$ 97,367.02	\$ 8,252,829.00	27,090	\$ 304.64
WILMINGTON	\$ 8,722,144.00	97.42	\$ 89,531.35	\$ 8,722,144.00	23,349	\$ 373.56
WINCHESTER	\$ 10,058,058.00	72.99	\$ 137,800.49	\$ 10,058,058.00	22,970	\$ 437.88
STONEHAM	\$ 2,624,720.00	63.61	\$ 41,262.69	\$ 2,624,720.00	23,244	\$ 112.92

<u>Restorations</u>		<u>Additional Needs</u>	
<u>Fire Department</u>		<u>Fire Department</u>	
<u>personnel</u>		<u>personnel</u>	
Restore 1 Fire Fighter	\$ 62,168.00	Deputy Chief	\$ 160,000.00
Overtime	\$ 75,000.00	promote 4 FF to Lieutenants	\$ 62,168.00
EMS expenses	\$ 1,500.00	4 additional Fire Fighters	\$ 240,000.00
		Personnel costs	\$ 135,000.00
			\$ 597,168.00
		<u>expenses</u>	
		Supplies & Services	TBD
Total Fire Restorations	\$ 138,668.00	Total Fire Department cost	\$ 597,168.00
<u>Police Department</u>		<u>Police Department</u>	
<u>personnel</u>		<u>personnel</u>	
(3) Patrol Officers	\$ 214,035.00	Deputy Chief	\$ 170,000.00
Overtime	\$ 100,000.00	2 Patrol Officers	\$ 123,360.00
(4)Traffic Directors	\$ 36,486.00	School Resource Officer	\$ 93,000.00
expenses	\$ 30,000.00	Dispatcher	\$ 31,509.00
		Personnel costs	\$ 135,000.00
			\$ 372,869.00
		<u>Expenses</u>	
		Supplies & Services	TBD
Total Police Restorations	\$ 380,521.00	Total Police Department	\$ 572,869.00
<u>Department of Public Works</u>		<u>Department of Public Works</u>	
<u>personnel</u>		<u>personnel</u>	
(2) Mechanics	\$ 128,325.00	3 Labors	\$ 301,825.00
Expenses	\$ 53,000.00	Personnel costs	\$ 135,000.00
			\$ 436,825.00
		<u>Expenses</u>	
		Supplies & Services	TBD
	\$ 181,325.00	Total DPW	\$ 436,825.00
<u>Other Town Departments</u>			
Library	\$ 132,766.00		
COA	\$ 66,165.00		
Recreation	\$ 49,086.00		
Assistant Building Inspector	\$ 37,597.00		
Prevention & Outreach Coordinator	\$ 40,000.00		
Trash Subsidy	\$ 125,000.00		
MVES Resident Coordinator	\$ 40,000.00		
Economic Development	\$ 40,570.00		
Town Counsel	\$ 10,000.00		
Conservation	\$ 37,689.00		
Transfer to General Stabilization	\$ 1,202,702.00		
Other Dept. Restorations	\$ 118,150.00		
Total Other Town Departments	\$ 1,899,725.00		
Total General Fund Restorations	\$ 2,600,239.00	Total Additional Needs	\$ 1,606,862.00

Questions

