



TOWN OF MARBLEHEAD

SELECT BOARD

FY 2027

Annual Town Meeting

# THREE-TIER OVERRIDE

*3-YEAR OVERRIDE TIERS AND PURPOSE*

TIER 1

**\$9M**

Partial Restore

TIER 2

**\$12M**

Build

TIER 3

**\$15M**

Invest

# THREE-TIER OVERRIDE

Understanding Tier Options



## 1 TIER 1 — PARTIAL RESTORE

### \$9 Million

*Partially restores previously reduced services to ensure baseline functionality across key departments.*

- Restores 15 positions cut in FY27 balanced budget
- Allows Library to apply for accreditation waiver
- Brings back Police SRO position
- Restores DPW, Rec & Park, COA, Public Buildings, Finance
- Partial restore of Community Development and Laborer in Cemetery
- Restores Long-Term Financial Health contributions

## 2 TIER 2 — BUILD

### \$12 Million

*Adds staff, creates a maintenance division, and expands Recreation and Council on Aging services.*

- All Tier 1 restorations included
- Fully restores Library and Materials and +1 PT Assistant Librarian + expenses
- +2 Firefighters + 1 Police Officer
- +1 IT Director +1 Budget Analyst
- + 1 PT Social Worker +1 GIS position
- \$450K maintenance to public buildings for buildings and rail trail
- Restores 1 Special Clerk and 1 Assistant Planner (former Sustainability) and 1 Conservation Agent (former Grants)

## 3 TIER 3 — INVEST

### \$15 Million

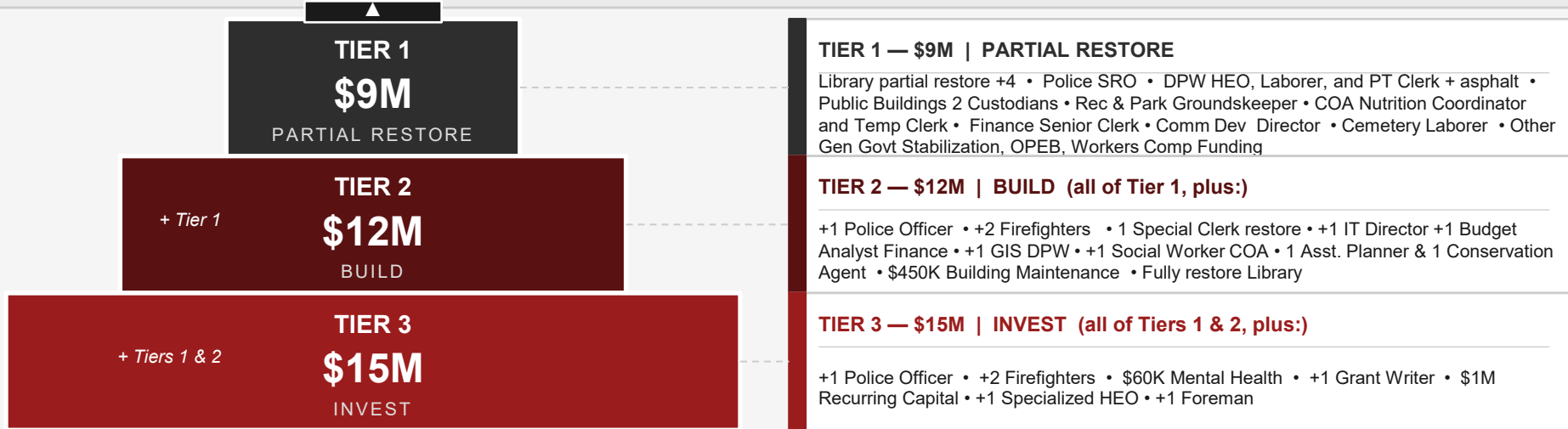
*Comprehensive investment combining all restorations, enhancements, mental health funding & capital.*

- All Tier 1 & 2 investments included
- +2 Firefighters + 1 Police Officer
- +1 Foreman +1 Specialized HEO
- +1 Grants Writer
- \$60K for mental health counseling
- \$1M recurring capital investment

# HOW A THREE-TIER OVERRIDE WORKS



One question on the ballot. Three tiers. Vote YES on any or all tiers — the tier with highest \$ amount and majority vote is approved.



## HOW RESIDENT VOTE WORKS

**Vote YES on Tier 1 only**

-> \$9M enacted — Tier 1 restorations take effect

**Vote YES on Tier 2 (Tiers 1 & 2)**

-> \$12M enacted — Tier 1 restore & Tier 2 additions

**Vote YES on Tier 3 (1 & 2 plus Tier 3 adds)**

-> \$15M enacted — Tier 1 restore & Tier 2 additions plus Tier 3 additions

# IF NO OVERRIDE PASSES

*Loss of Town Services by Department*

## **LIBRARY**

### **Loses certification**

Open only 3 days/week ; No Evenings and No Weekends; 8.5 positions cut

## **POLICE**

### **No SRO in schools**

School Resource Officer eliminated

## **FIRE**

Overtime costs spike; Down 1 full shift

## **RECREATION & PARKS**

### **No Groundskeeper**

No Trash pickup for 186 public trash barrels

## **TOWN CLERK**

**No Special Clerk** ; reduced services

## **PUBLIC WORKS**

### **2.5 positions Cut & Asphalt Cut**

No Laborer, Heavy Equipment Operator, and PT Clerk; \$60K Asphalt

## **CEMETERY**

**No Laborer**

## **COUNCIL ON AGING**

### **Key staff cut**

No Nutrition Coordinator/Labor and Temporary Clerk ;

## **COMM DEV & PLANNING**

**No Community Development Director**, Sustainability Coordinator, and Grants Coordinator;

## **FINANCE**

### **Senior Clerk cut and IT equipment and Training cut**

**No Senior Clerk** causing Treasurers Office to be understaffed; IT replacement equipment & training for new staff eliminated

## **PUBLIC BUILDINGS**

### **2 Custodians cut**

Facility upkeep diminished for Mary Alley and Abbot Hall.

## **BUILDING INSPECTIONS**

Cut Other Professional and Technical Expense which funds OpenGov Subscription & Copier Maintenance

## **CAPITAL**

### **Zero capital FY2027**

No equipment, Public Buildings improvements

## **FINANCIAL HEALTH**

No Stabilization Fund or OPEB liability (\$250K each); Cut FinCom Reserve by \$26K; cut \$97,662 Workers Comp

# COMPARISON: NO OVERRIDE vs. TIERS 1–3



	No Override	Tier 1 – Partial Restore	Tier 2 - Build	Tier 3 - Invest
Library	Lose Accreditation; Operates only 3 days per week; No evenings or weekends; 8.5 positions cut	Allows Waiver for Accreditation; No evenings/weekend hours; 4 positions restored	Fully Restored; 8.5 positions and library materials; +1 Part-time Librarian and increase expenses funding	✓
Police Department	No School Resource Officer (SRO) brings staffing to 29 officers	Fully restored SRO but Police staffing level at historically low level	Fully Restored SRO +1 Police Officer Added	1 Police Officer added for a total of 3 with SRO brings Police Staffing Level to 33 Officers in line with historic staffing level
Fire Department	No staff cuts to contain overtime (OT) expense; currently down 1 full shift		2 Firefighters added	2 Firefighters added for a total of 4 to reduce overtime costs
Department of Public Works	2.5 positions cut; \$60,000 reduction in asphalt; reduced services levels	Fully restored 1 PT General Clerk, 1 Heavy Equipment Operator, 1 Laborer and Asphalt; service levels at historic low level	1 GIS position added; Improved service levels	In addition to the 3 positions restored and the new GIS position in tier 2, Adding 1 Foreman position & 1 Specialized HEO; significantly improved service levels in line with past staff levels
Recreation & Parks	Cut Groundskeeper; No trash pick up for 187 public trash barrels	Fully restored 1 Groundskeeper to pickup trash barrels	Maintenance & Materials budget increased \$25,000; Utilities increased \$17,000	✓
Council on Aging	Nutrition Coordinator/General Labor & Temp Special Clerk cut	Fully restored 1 Nutritional Coordinator/Labor and 1 Temp Clerk	1 Part time Social Worker added; Building maintenance \$15K added; Improved Service	✓
Community Development & Planning	Cuts include Director, Sustainability Coordinator, and Grant Coordinator	Director restored only; Currently the Director is also the interim Planner; Lost 2 employees (planner & sustainability) FY26.	1 Asst. Planner & 1 Conservation Agent added (replacing Sustainability Coordinator & Grant Coordinator)	In addition to full restore and 2 tier positions Adding 1 Grant Writer position to bring in additional grant revenue for the Town.
Finance Department	Senior Clerk cut; Computer equipment and Staff training cut; Treasurer Office under staffed and need IT equipment Cut 2 Special Labor Custodians that service Mary Alley and Abbot Hall. Impacts cleaning, meetings, & more.	Fully restored 1 Senior Clerk, IT equipment identified for replacement, and training for new staff hired along with certifications	1 Town IT director added; 1 Budget Analyst added to improve IT and operations	✓
Public Buildings		Fully restored 2 Special Labor Custodians that serve Mary Alley and Abbot Hall.	Establish a \$450,000 maintenance budget for buildings townwide and rail trail	✓
Building Inspections	Cut OpenGov subscription and copier maintenance.	Fully restored OpenGov subscription and copier maintenance needed for operations.	✓	✓
Health Department	Level funded Health despite need for additional mental health			Double funding to Mental Health with \$60,000 investment in mental health counseling
Town Clerk	Cut 1 special clerk reducing the office from 3 employees to 2 employees		Fully restored 1 Special Clerk	✓
Cemetery	Reduce dept. head to part time; Cut 1 laborer	Restore 1 laborer	✓	✓
Recurring Capital	No Capital for FY2027 except contractual Leases; 1 of 3 recurring Capital Articles on warrant funded.			\$1 million capital for recurring leases, equipment, and building improvements (3 articles seen annually on the Town Warrant)
Long Term Financial Health	No contribution to Stabilization Fund or OPEB liability (\$250K each); Cut FinCom Reserve by \$26K; cut \$97,662 Workers Comp	Fully restored annual stabilization transfer, OPEB transfer, FinCom Reserve restored to 440K, and workers comp restored to cover any unexpected claims.	✓	✓
FTE Summary	Cuts 21.5 Positions	Restores 15 Positions	Restores another 6.5 positions; Adds 7 New Positions	Adds an additional 6 New Positions

# WHAT DOES IT COST?

Tax impact on the Median \$998,600 Marblehead homeowner

Overrides are phased in over 3 years. The amounts below reflect the estimated annual property tax increase per household.

## TIER 1 — Partial Restore

# \$9M

Override Total

Year 1	~\$130
Year 2	~\$533
Year 3	~\$256
	<b>\$919</b>

## TIER 2 — Build

# \$12M

Override Total

Year 1	~\$280
Year 2	~\$676
Year 3	~\$274
	<b>\$1,230</b>

## TIER 3 — Invest

# \$15M

Override Total

Year 1	~\$430
Year 2	~\$720
Year 3	~\$388
	<b>\$1,538</b>

# WHAT DOES IT COST?

Tax impact on the Average \$1,291,507 Marblehead homeowner

Overrides are phased in over 3 years. The amounts below reflect the estimated annual property tax increase per household.

## TIER 1 — Partial Restore

**\$9M**

Override Total

Year 1 ~\$168

Year 2 ~\$689

Year 3 ~\$331

**\$1,188**

## TIER 2 — Build

**\$12M**

Override Total

Year 1 ~\$362

Year 2 ~\$875

Year 3 ~\$353

**\$1,590**

## TIER 3 — Invest

**\$15M**

Override Total

Year 1 ~\$556

Year 2 ~\$931

Year 3 ~\$502

**\$1,989**

# OVERRIDE TAX IMPACT (CUMULATIVE AT END OF 3 YEARS)



★ Median home value: \$998,600 (current tax bill ~\$8,548/yr) | Average home value: \$1,291,507 (current tax bill ~\$11,055/yr) | Current Tax Rate \$8.56

Annual cost per household based on assessed home value. Rate: \$0.10 per \$1,000. Chart shows increase if full costs in year one rather than phased over 3 years.

Home Value	Tier 1 — \$9M	Tier 2 — \$12M	Tier 3 — \$15M	Monthly (Tier 3)
\$500,000	\$450	\$600	\$750	\$63/mo
\$600,000	\$540	\$720	\$900	\$75/mo
\$700,000	\$630	\$840	\$1,050	\$88/mo
\$800,000	\$720	\$960	\$1,200	\$100/mo
\$900,000	\$810	\$1,080	\$1,350	\$113/mo
<b>\$998,600 ★ MEDIAN</b>	<b>\$899</b>	<b>\$1,198</b>	<b>\$1,498</b>	<b>\$125/mo</b>
\$1,100,000	\$990	\$1,320	\$1,650	\$138/mo
\$1,200,000	\$1,080	\$1,440	\$1,800	\$150/mo
<b>\$1,291,507 ★ AVG</b>	<b>\$1,162</b>	<b>\$1,550</b>	<b>\$1,937</b>	<b>\$161/mo</b>
\$1,400,000	\$1,260	\$1,680	\$2,100	\$175/mo
\$1,500,000	\$1,350	\$1,800	\$2,250	\$188/mo

# MEMORANDUM OF UNDERSTANDING (MOU)



A public commitment among the Select Board, School Committee, and Finance Committee governing fiscal discipline through FY2030.

## **No override at least through FY2030**

Select Board, School Committee, and Finance Committee commits to not pursuing another override at least through fiscal year 2030.

## **62%–38% unrestricted revenue split formalized along with benefits allocation**

Establishes clear allocation of revenues and benefits between schools and the town.

## **Quarterly joint financial review**

Quarterly finance reviews and annual public updates from Town Administrator and School Superintendent

## **Reduce reliance on Free Cash**

Shift to structural budgeting and phase out use of Free Cash to balance the budget.

## **Build Stabilization Fund to 5% of Operating Budget**

Establishes a target reserve level that provides a meaningful financial cushion for the town against future volatility and unexpected costs in line with financial policy.

**This MOU is a public promise — accountability to Marblehead residents.**