

Marblehead Public Schools

FY2027 Budget & Override · At a Glance

The School Committee approved a **\$47.6M FY27 budget** that required eliminating 18.25 FTEs (22 positions) to close a \$3.1M gap. Reaching balance took two rounds of cuts, structural fund shifts, and a one-time prepayment that depleted one of the district's last financial safety nets and cannot be repeated. **FY28 will be harder.** A jointly-developed three-tier Proposition 2½ override goes to Town Meeting on May 4, and to the ballot on June 9.

\$47.6M

FY27 approved budget

\$3.1M

Reductions from level-services cost

18.25

FTE positions eliminated districtwide

◆ HOW THE BUDGET WAS BALANCED

REAL SAVINGS **Right-sizing.** Enrollment is down 24% since 2016 and staffing is down 14.7%. Brown Elementary already consolidated three schools.

REVERSIBLE **Fund shifts.** Some positions moved from the General Fund onto grants and revolving accounts. Some will need to come back as grant funding changes.

ONE-TIME **Surplus prepayment.** \$1.5M in special education tuition prepaid from accumulated surplus. Reduces FY27 only. Reserves of this type are now exhausted.

◆ WHAT FY28 LOOKS LIKE FROM HERE

Sp. Ed. tuition returns. The \$1.5M prepaid from surplus reappears in FY28 as a real line item. Out-of-district tuition grew 12.64% this year.

Contractual raises take effect. COLA and step increases ratified last year are legally required in FY28 and FY29.

No reserves left to cushion. Finance Committee projects ~9% growth in school department spending in FY28.

The bottom line: Without override revenue, the FY28 gap will be larger than the \$3.1M just closed in FY27, with no remaining one-time reserves to draw on.

◆ THREE-TIER OVERRIDE FRAMEWORK

Cumulative tiers · Override draw begins FY28

TIER 1 · PARTIAL RESTORE
\$9M Combined

\$6.2M

SCHOOLS' PORTION · 3 YRS

- + Fund contractual salary increases
- + Restore Sp. Ed. OOD tuition
- + Move revolving positions to General Fund

TIER 2 · BUILD
\$12M Combined

\$7.2M

SCHOOLS' PORTION · 3 YRS

- + Everything in Tier 1
- + Technology lease for student devices (\$150K/yr)
- + Eliminate Full-Day Kindergarten fee

TIER 3 · INVEST
\$15M Combined

\$8.5M

SCHOOLS' PORTION · 3 YRS

- + Everything in Tiers 1 & 2
- + Curriculum & PD (\$100K/yr)
- + In-district 18–22 Sp. Ed. program (\$500K)
- + School building capital fund (\$500K)

Informational communication from the Marblehead School Committee. Does not advocate for or against any ballot question. Sources: approved FY27 budget documents, Massachusetts DESE, Finance Committee analysis, U.S. News 2025.

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